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EGYPTIAN PRESIDENT MAKES HIS HISTORIC ADDRESS

Sadat and Begin speeches disappoint

BY ROGER MATTHEWS: JERUSALEM, Nov. 20

IDENT SADAT of Egypt today achieved a face in history by addressing the people of Israel from their own soil...

In the Egyptian leader's address were the absence of any mention of the Palestine Liberation Organisation...

Mr. Begin, on the other hand, made not the slightest reference to the occupied Arab territories either as a whole or in their separate parts...

To-night Mr. Begin said both sides had drafted a joint communiqué for release tomorrow. The communiqué assures the continuation of a dialogue for peace between Israel and Egypt...



THE HANDSHAKE: Mr. Begin and Mr. Sadat after the Prime Minister had made his speech in reply to the President.

'Rejoice now, we'll worry later...'

BY ROGER MATTHEWS AND DAVID LENNON

JERUSALEM, Nov. 20. And past Prime Ministers and their army commanders who had wreaked such havoc on his nation...

NEWS SUMMARY

GENERAL BUSINESS FIREMEN Talks on strike... CRASH TOLL Portuguese national airline... C-fee storm... BAR may go... HOME deaths... RAMANLIS ahead... OMY outlook... FLY... COMPANIES... TRAFALGAR HOUSE... SAVE AND PROSPER

Syria leads Arab revolt against initiative

BY ANTHONY McDERMOTT

ARAB REACTION to President Sadat's speech to the Israeli Knesset led by Syria was universally hostile. The campaign in the Syrian media broke all bounds of previous hostile campaigns...

Chapple warns of power strike

BY CHRISTIAN TYLER, LABOUR EDITOR

A STRAIGHTFORWARD challenge to the Government's pay guidelines came last night from Mr. Frank Chapple, general secretary of the Electrical and Plumbing Trades Union...

Mirror stops London publication

THE Daily Mirror stopped publication in London last night until further notice and today gave notice together with an ultimatum on peace terms for a return to work. The Mirror Group Newspapers Board held an emergency meeting yesterday over the continuing dispute with journalists who are demanding overall rises of 23,000 a year...

AN OFFER FROM M&G AMERICA. Many experts now regard Wall Street as more attractive than London. Investors who buy units in American trusts in the next few months should be sitting on a reasonable profit by the end of 1978.







# The Golden Country

by B. A. YOUNG

persecution of the his head to ensure against quick death from circulatory obstruction. The subject of Shusaku Endo's novel, *The Silence*, is a Jesuit priest who, in the face of the Japanese persecution of Christians, chooses to remain in Japan. The play concerns the operations of the Bureau of Investigations of the Christians, run by an ex-Christian, Inoue (Wolf Morris), that lead to the capture of the Father (John Church). Inoue has a rich samurai friend Tomonaga (John Sharp) with a beautiful daughter Yuki (Jenny Jones), as beautiful in fact as in fiction. Yuki and a young officer of the Bureau, Genosuke (Dan Hastings), are in love, and a little detective work soon discloses that Yuki and Tomonaga are Christians. Inoue arrests Tomonaga and hangs him in the pit, giving out that he will release him if he can have Ferreira. The priest surrenders, but Tomonaga is already dead. There follows a roundup of peasants, who are invited to step on a picture of Christ to show whether or not they are Christians. The only one present who does so is Ferreira, who has suffered two days in the pit. He is then crucified. Christ calls him to do by doing this he will be saving the peasants; of course the peasants are duly killed, by tying them to stakes, standing them on the beach at low tide

and waiting for the water to come in. The real Father Ferreira devoted the rest of his life to solid anti-Christian activities, but the dramatic one reappears into harmless squalor. Is the Christian threat in Japan done with? In any case, a final visit to the Bureau office reveals news of a secret landing by four more priests. The examination of Ferreira's motives in apostasy, which is the most important thread in the play, is given too little scrutiny compared with the more purely theatrical adventures of the peasants and the Yuki-Genosuke affair. But I found the play interesting for its historical context, which is presented in present-day terms. The characters do not pretend to be Japanese; they use radio sets and bicycles, and we can feel ourselves temporary members of this society. Inoue's conclusion, which is also Endo's, is that there is something about the Japanese character that militates against the adoption of Western ways of thought—a theory that may well be true for masters of the spirit but will be received with scepticism by the motorcycle industry. The director is Richard Negri.



Alberto Remedios

Theatre Royal, Glasgow

## Ariadne on Naxos

To the always considerable pleasure of visiting Scottish Opera in its handsome Glasgow home theatre there was added last week the promise of an Ariadne revival with Helga Dernesch, Janet Baker, and Alberto Remedios in the cast. Big names; but for most of the evening the promise remained sadly unfulfilled. The fault by no means lay entirely with the cast. Under Norman Del Mar the playing of the Scottish Chamber Orchestra was splendid—its Ariadne revival with Helga Dernesch, Janet Baker, and Alberto Remedios in the cast. Big names; but for most of the evening the promise remained sadly unfulfilled. The fault by no means lay entirely with the cast. Under Norman Del Mar the playing of the Scottish Chamber Orchestra was splendid—its Ariadne revival with Helga Dernesch, Janet Baker, and Alberto Remedios in the cast. Big names; but for most of the evening the promise remained sadly unfulfilled.

enunciates an English translation of the libretto, no doubt a lighter-entree production could contrive a more effective disguise. In terms of mastery over the notes Janet Baker's Couperus is finally, to skirt a little longer around the central problem of an upper register that can no longer support Ariadne's lines as they rise aloft, the low phrases were as rich and full as ever. But there were anxious moments in "Es gibt ein Reich," and towards the close the voice threatened to give out altogether. One note from Mr. Remedios's Bacchus had a similar anxiety; by and large, however, the singing was easy, gracefully full, at times musically in the way of times—of the part seldom seemed to be—hardly so flail, seized the ardent young deity of

## Schwarzkopf by RONALD CRICHTON

of artists are now, very few, returning to the Wigmore Hall, favourable in size to the music, as sympathetic in the later stages of career as it is to begin with. Today evening the landlady, Mrs. Schwarzkopf, and Geoffrey Parry, the first of two Wolf is—two groups, each of three and Goethe settings, them, incredibly, written in February, 1888, and by 1899. Needless to say, the music was packed, the landlady absorbed and grateful for the demonstration of the singing—and playing—of a Schwaizkopf has inevitably reached a phase where are problems of tonal and of diction (and of matching of vowel sounds) of it of breath, and of phrase, after phrase, in spite of an occasional ed vowel, or swallowed

In another short Morike song, "Jägerlied," the voice answered perfectly, with full, youthful tone at the climax. Yet "Im Frühling," immediately before, had brought laboured moments with notes directed downwards, head half-bung, yet the mood of the song came over at strength, while one or two lines ("nur noch das Ohr dem Ton der Biene lauschet" among them) were ideal illustrations of the complete fusion of words and music which Liszt is singing in its higher manifestations is about. In the Wigmore, the pianist can be infinitely more of a partner than in "cold, modern halls." Mr. Parsons, able without disturbing the social line to use almost as wide a range of dynamics as a solo pianist, bringing Lisztian transports to Kennst du das Land and an equally Lisztian "Hinge to "Philis Philis." Miss Schwarzkopf as serious colleague to end with "Ephraim" and the longest piano postlude of the evening—incidentally giving young singers a lesson in the art of holding words without drawing away the audience's attention after the voice has stopped. It was also typical that the final, overwhelming impression should be of renewed understanding and illumination of Wolf and his two poets.

**Wembley Conference Centre**  
**Czech Philharmonic Orchestra**  
by ARTHUR JACOBS

The Czech Philharmonic Orchestra played there last night

**Edinburgh Festival director named**  
The new Director of the Edinburgh Festival is to be Mr. John Drummond, 42 assistant head of Music and Arts, BBC Television. He will succeed Mr. Peter Diamond, Director since 1965.

**Marcelle Mercenier**  
The distinguished Belgian pianist of the avant-garde, Marcelle Mercenier, who has the first performances of works by both Stockhausen and Boulez to her credit, came to London on Saturday night and gave a taxing programme of Boulez and Beethoven with magisterial strength and power. Her performance of the Boulez Third Sonata was something of an event—though quite impossible to establish in addition to the two published and recorded Formans, "Tropé" and "Constellation-Miroir," she played also another Formant, "Antiphonie," which Boulez has previously withheld. It may seem foolish to try and fix the final form of a piece which is a text-book example of controlled indeterminacy, but Boulez has said (in *Conversations with Celestin Delage*, Eulenherr Books, 1976) that "a third piece... has been in an advanced state for some years now; I shall now finish it." Although no announcement was made, Miss Mercenier confirmed afterwards that "Antiphonie" had not been heard before: is the Third Sonata more Formants to come? As it stands, "Antiphonie" makes a short, powerful up-beat to the two following Formants, with their strictly limited performance choice that was an un-

## Cathy Berberian

by ELIZABETH FORBES

Cathy Berberian is one of those extraordinary artists who can communicate across the linguistic barrier of an alien culture. In her recital "An Evening with Cathy Berberian" at St. John's on Friday, she introduced a series of 16 or 17 different languages ranging from Hebrew to Armenian. Her programme included songs from countries as far apart as China and Brazil; for each she found a suitable style, now harsh-voiced, now smooth-toned. The folk-material was mainly filtered through the sophistication of a professional composer, but Miss Berberian explained the song's origin as well as the circumstance of its arrangement, and gave a precise performance. The Armenian group with which she appropriately began Copland's *anoushin* I bought me a Cat (USA) made the audience near with delighted laughter: Haydn's familiar version of the "Gypsy" from *Die Schöpfung* gave the singer a chance to express a more serious sentiment. Ravel's Yiddish setting of "The Eternal Enigma" was preceded by the original folk-tune sung as well as played by Mr. Lester. Another Yiddish song, the rousful "Kounaia, Kounaia," ostensibly ended the programme, but Miss Berberian was prevailed upon to give some encores, including a typically luscious gypsy melody, and a "Love-dance-song" from Azerbaijan, by Dornussgard contrasted vividly choreographed.

## Fortepianos

by NICHOLAS KENYON

That the music of the classical period deserves just as much as the music of the medieval, renaissance and baroque periods is something we are only just coming to accept. But the real benefits of the original folk-tune songs as well as played by Mr. Lester. Another Yiddish song, the rousful "Kounaia, Kounaia," ostensibly ended the programme, but Miss Berberian was prevailed upon to give some encores, including a typically luscious gypsy melody, and a "Love-dance-song" from Azerbaijan, by Dornussgard contrasted vividly choreographed.

## Purcell Room

Kenneth van Barhold and Richard Burnett are both well known for their advocacy of these instruments, and they play with a fine feeling for their special qualities. Mr. van Barhold made Beethoven's Op. 2 No. 3 Sonata a thing of elfin lightness and grace on a superb Viennese instrument of 1825 by Fritz. The arpeggios of the Scherzo and the graceful lines of the final Rondo took wing, while the last line below had a perfect clarity without ever having to be over-emphasised. It is perhaps this differentiation of textures (which requires no line to be forced in order to be heard) which makes early

## The Entertainment Guide is on Page 9

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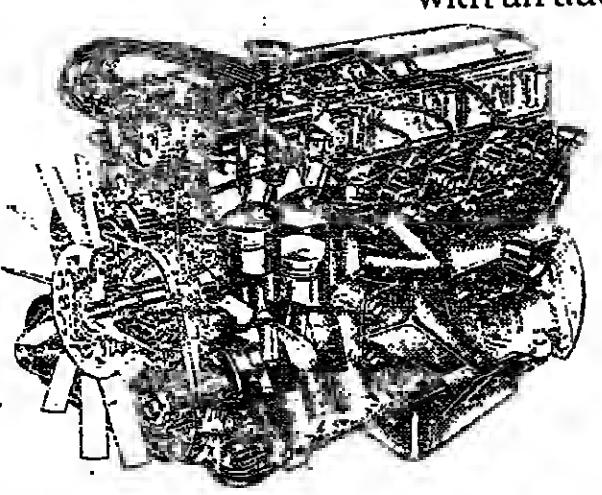
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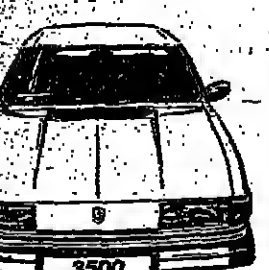
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Appeal to the people of America

By Richard Johns and Michael Tingay

CAIRO, Nov. 20. PRESIDENT SADAT's historic gamble in directly offering peace to Israel is a bid to appeal to the American people...

This is a major aspect of the strategy behind his visit to Israel, according to sources in touch with President Sadat...

Nevertheless, his quantum leap into the unknown as one diplomat here described the mission could lead to his overthrow within six months...

Meanwhile, Egyptian and U.S. hopes that Sadat's initiative would be approved by the U.S. Congress...

President Sadat appears to have the overwhelming support of the Egyptian people. A huge welcome is being prepared for his return to demonstrate that the country is behind him.

But if most Egyptians are demonstrating unbridled support, the Left-wing intelligentsia within the political system and the Nazaries outside are musingly sceptical for a campaign against President Sadat.

More serious in the long run will be the build-up of a pro-Israel lobby in the Middle East, which will be the main basis of the PLO's political groups, were arrested for demonstrating last week. However, all appeared quiet to-day as security forces watched vigilantly over public prayers at the start of the Hajram religious holiday.

The big winner in to-day's election was Mr. Andreas Papandreu with his Panhellenic Socialist Movement (PASOK) who has won 24.67 per cent of the votes counted so far. He is now likely to see his Parliamentary strength increased to more than 80 from 15 seats in the last Parliament.

Analysts said the agrarian population voted heavily for Mr. Papandreu, who opposes full Greek membership of the EEC. He would prefer Greece to have a special arrangement such as that between the Common Market and Sweden.

The big dent in Mr. Karamanlis' electoral strength came from the extreme-right National Front Party, under the former Premier Mr. Stefanos Stephanopoulos, which captured 7.14 per cent of the votes counted so far...

PRESIDENT SADAT IN JERUSALEM A new stage, but the same lines

BY ANTHONY McDERMOTT

Mr. Sadat declared he had not come to make a separate peace with Israel, fully aware that this is one of the major accusations levelled against him by his Arab opponents.

He went on: "We do not want to encircle you or be encircled ourselves by destructive missiles ready for launching."

His five points for peace in the Middle East were as follows: 1. The termination of Israeli occupation of the Arab territories taken in the 1967 Arab-Israeli war.

2. The right of all states in the area to live in peace within secure boundaries guaranteed through measures to be agreed on. 3. All countries in the area should commit themselves to managing relations among themselves in accordance with the aims and principles of the UN Charter.

4. The ending of the state of war in the area. 5. The ending of the state of war in the area. President Sadat approached the Palestinian issue about half-way through his address...

Mr. Sadat's speech was one of "considerable vision". The exchanges, Mr. Habib said, should be "the harbinger of the importance of negotiations between the confrontation States and the Israelis."

Mr. Habib agreed that President Sadat's initiative "provides the opportunity for imaginative responses, but this is more likely to emerge in the private negotiations between the two leaders than in their symbolic public utterances."

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Mr. Sadat did not blame the Arab countries which have been vehement in their criticism. "I would," he said, "go to the end of the world (for peace). I would go to Israel."

Then he turned to the Palestinian problem, causing members of the Knesset, their hands pressed to their headphones to look up at him. "A durable and just peace" without a Palestinian state, he said, was impossible.

With all the international guarantees you have asked for there should be no fear of a newborn state that needs the help of all the countries of the world for its establishment.

President Sadat said, adding "wherever you have asked for there will be no hand to beat the drums of war."

Bringing home the point about the establishment of states in the areas in particular that of Israel in 1948 President Sadat said, "If you have found the legal and moral justification to establish a national home on a territory which was not all yours, then you had better understand the determination of the people of Palestine to establish their own state once more in their homeland."

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President Sadat

President Sadat concentrated on welcoming Israel to the Middle Eastern region as a fully accepted member. Mr. Begin drew attention to Israel's reasons for regarding its existence as still tenuous. The holocaust he said, "would never have happened if the Jews had had a homeland."

Mr. Begin, whose speech carried as many references to God as Mr. Sadat's, was by contrast a broader vision of what was possible in the future of the Middle East, and drew heavily upon Jewish history.

He emphasised that Israel was offering its hand in friendship to its neighbours, and that from the very beginning, from the time of the Jewish underground—this had been rejected. He proposed not only diplomatic relations but also economic co-operation.

Mr. Begin looked forward to the future generations of the area: "Let us enter into negotiations for a peace treaty as free people. With the help of God the day will come I foresee a brilliant future for all the people of the region without the threat of war."

But he added, while warring "normal relations with all people," he said "the end of belligerency should be the first paragraph in a peace treaty." And speaking of negotia-

tions the fundamental theme of willingness to talk to the established states emerged. Israel, he said, was ready to talk to the representatives of Egypt, Syria, Jordan and Lebanon. Israel had agreed to the reconvening of the Geneva conference on the basis of UN Security Council Resolutions 242 and 338.

If difficulties occurred before then Mr. Begin would be prepared to negotiate in Cairo or any neutral territory. While Mr. Sadat concentrated on welcoming Israel to the Middle Eastern region as a fully accepted member, Mr. Begin drew attention to Israel's reasons for regarding its existence as still tenuous.

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Mideast response reveals a yearning for peace says Carter

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, Nov. 20. PRESIDENT CARTER to-day described the speeches in the Knesset as "a moving occasion and a contribution to the cause of peace, marked by 'candour and a spirit of conciliation'."

Earlier, the President led worshippers at his Baptist Church, near the White House, in prayers for peace in the Middle East. Speaking from the pulpit, he said: "We have a great responsibility that the chosen leaders have not responded adequately to this yearning of the people of the Middle East for peace."

Afterwards, he amplified his statement, noting the "overwhelming gratitude and excitement that President Sadat's visit had generated in both Israel and Egypt, and suggesting that, in his opinion, this showed that some of the leaders in the area 'have underestimated the willingness of their own people to accept strong moves towards a new understanding.'"

Another senior Government official, Mr. Philip Habib, the Under Secretary of State for Political Affairs, said President Carter's response to Mr. Sadat's speech was one of "considerable vision."

The exchanges, Mr. Habib said, should be "the harbinger of the importance of negotiations between the confrontation States and the Israelis."

Mr. Habib agreed that President Sadat's initiative "provides the opportunity for imaginative responses, but this is more likely to emerge in the private negotiations between the two leaders than in their symbolic public utterances."

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OTHER OVERSEAS NEWS

Karamanlis leads but poll shows strong support for Papandreu

BY OUR OWN CORRESPONDENT

ATHENS, Nov. 20.

THE RULING New Democracy Party seemed assured of being returned to power after to-day's general election, but Premier Constantine Karamanlis saw his electoral strength substantially reduced from the landslide 54 per cent victory of 1974.

The decrease of his Parliamentary majority reflects the emergence of Socialist forces to play a leading role in Greece's future political life. With 1,158,457 of the 8.3m. votes counted, Mr. Karamanlis won 42.58 per cent which, if the trend continues, should ensure him 175 to 180 of the 300 seats in Parliament.

The big winner in to-day's election was Mr. Andreas Papandreu with his Panhellenic Socialist Movement (PASOK) who has won 24.67 per cent of the votes counted so far. He is now likely to see his Parliamentary strength increased to more than 80 from 15 seats in the last Parliament.

Analysts said the agrarian population voted heavily for Mr. Papandreu, who opposes full Greek membership of the EEC. He would prefer Greece to have a special arrangement such as that between the Common Market and Sweden.

In a statement to reporters to-night, Mr. Papandreu said it was unprecedented in Greece for a new party to double its strength in such a short period. "Our victory reflects the trust the people have in Pasok to bring about changes in Greece's political life. It is clear that the voters disapproved of the policies of the Right-wing which has been defeated," he said.

To-day's loser was Mr. George Marovos whose Union of the Democratic Centre (UDC) won only 13.21 per cent of the votes counted so far, failing to come near the required minimum of 17 per cent which enables parties to participate in the second and third distribution of Parliamentary seats. His 57 seats are now expected to fall to about 12.

The big dent in Mr. Karamanlis' electoral strength came from the extreme-right National Front Party, under the former Premier Mr. Stefanos Stephanopoulos, which captured 7.14 per cent of the votes counted so far, most if not all of them from the New Democracy Party. The National Front includes Right-Wing voters disgruntled by Mr. Karamanlis' swing to the centre, royalists, and sympathisers of the fallen Junta.

The Soviet-line Communists, who this time abandoned the Eurocommunists to go it alone, held their ground with 8.12 per cent of votes counted so far. The alliance of Eurocommunists and small Socialist groups won 2.15 per cent, the Neo-Liberals' Party 1.39 per cent, and other minor groups the remaining 0.74 per cent.

Follow-up observers here suggested that Mr. Karamanlis and Mr. Marovos may, if circumstances warrant it, join forces to face the threat from the Socialists and Communists on the one hand and the extreme Right on the other.

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Sydney lawyer sworn in as Treasurer

By Kenneth Rendell

MELBOURNE, Nov. 20. MR. JOHN HOWARD, a 35-year-old Sydney solicitor who entered Parliament only in 1974, was sworn in as Treasurer yesterday after the resignation on Friday night of Mr. Phillip Lynch.

The Prime Minister, Mr. Malcolm Fraser, accepted Mr. Lynch's resignation in an attempt to end mounting public controversy over land dealings in the Melbourne area involving a Lynch family trust.

The Leader of the Opposition, Mr. Gough Whitlam, said to-day that Mr. Howard had neither the qualifications nor the administrative experience to be Treasurer, but he reserved his main attack for the Lynch case, which, he said, had serious and disturbing implications.

He said the Prime Minister had, in effect, "cured" Mr. Lynch's resignation as "a cosmetic election job," with a virtual promise to reinstate him if the Government won the general elections.

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Gloomy forecasts are likely to emerge from OECD meetings

BY ROBERT MAUTHNER

PARIS, Nov. 20.

HIGH OFFICIALS of the OECD, grouping the major industrialised nations of the Western world, will begin three days of meetings here to-morrow to discuss their future policies in the light of pessimistic growth and employment forecasts for next year.

The predictions, prepared by the OECD secretariat for meetings of the organisation's economic policy committee and its working party on balance of payments problems are considerably more gloomy than the national forecasts of several of the bigger member countries.

They are expected to be contested particularly by the U.S. and West Germany and will probably be revised by the end of the year, when the Secretariat publishes its six-monthly report on the economic outlook for the area.

According to the Secretariat's experts, growth rates in the member countries will fall well short of the 5 per cent average target set by OECD Ministers at their last meeting in June. The area as a whole is expected to expand by about 4 per cent in the first half of 1978, but growth

will then slow down sharply to little more than 3 per cent in the second half. The Secretariat is sceptical about the U.S. target for 5 per cent growth in 1978 and predicts that after expanding by 4.75 per cent in the first half of next year, the U.S. economy will grow by no more than about 3.5 per cent in the second half, as against about 5 per cent for the whole of the current year.

Similar pessimism is expressed by the experts about West German growth, and there is a strong implication in their findings that they do not consider that the recent stimulatory action taken by the Bonn Government was sufficient in the context of the world economic situation.

After expanding by about 3.5 per cent in the first half of next year, the experts consider that West German growth will slow down to less than 3 per cent during the second six months period. For the U.K., too, the outlook is for a slow-down from the current annual rate of some 3.5 per cent to 3 per cent in the first half of 1978 and 2.5 per cent in the second half.

Hanoi-Peking differences

PEKING, Nov. 20

VIETNAM and China publicly aired their differences to-night, with Hanoi adhering to the line of the Soviet Union, Peking's arch-enemy.

While chairman Hua Kuo-Feng accused both the Soviet Union and the United States of aggression—without mentioning any names—Vietnamese Communist Party leader Le Duan singled out

Washington for blame while praising Moscow. Mr. Le Duan also took Moscow's line that the world consists of capitalism being confronted by three revolutionary currents while Chairman Hua reiterated Chiao's commitment to Mao Tse-tung's concept of three worlds—the superpowers and developed and developing nations.

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November 18, 1977



WORLD TRADE NEWS

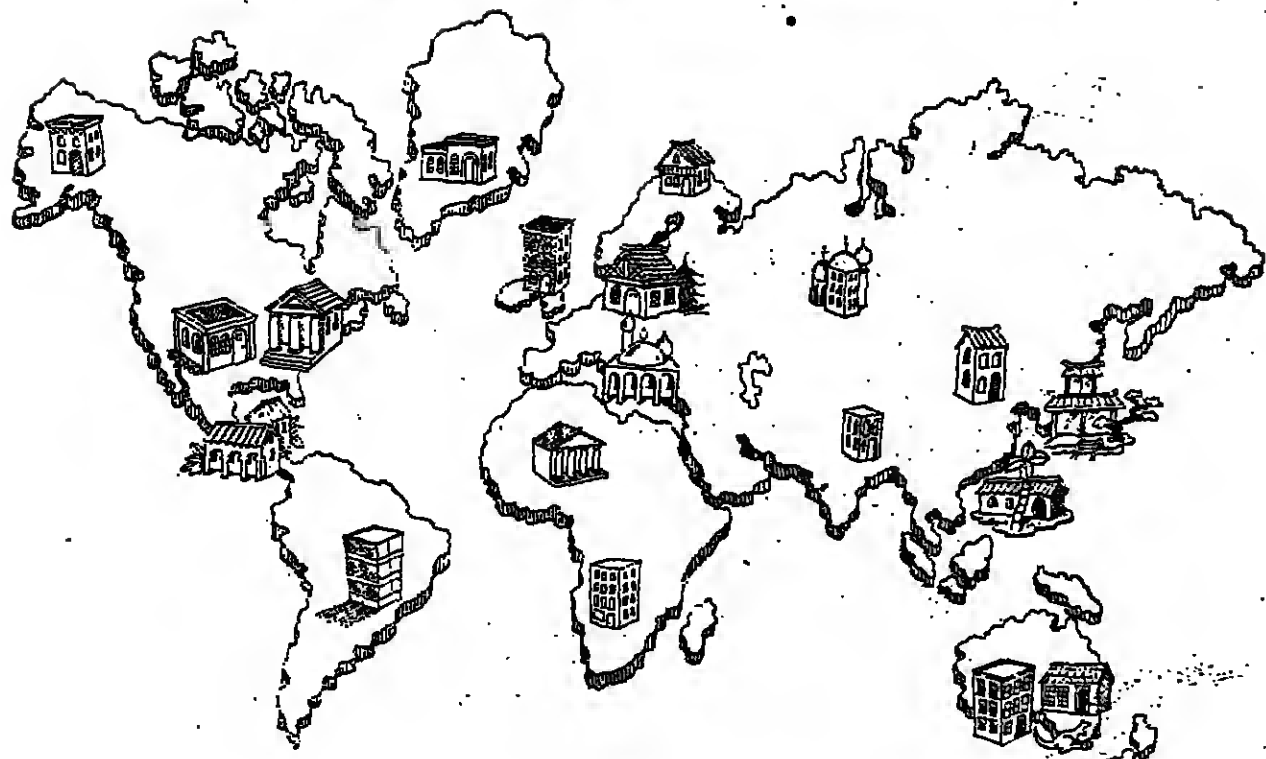
U.K. team in Tokyo for TV talks

BY CHARLES SMITH

AN EIGHT-MAN team from the U.K. Radio Industries Council will be meeting 15 Japanese television and audio equipment manufacturers this week for talks which will hopefully result in a reduced forecast of Japan's 1978 share in Britain's domestic market for colour and black and white TV sets.

TV shipments by Japan up to the end of September totalled 138,775 sets (giving an annual rate of 170,968 sets). Shipments of black and white TVs over the same period totalled 156,987 sets (equivalent to an annual rate of 196,238 sets).

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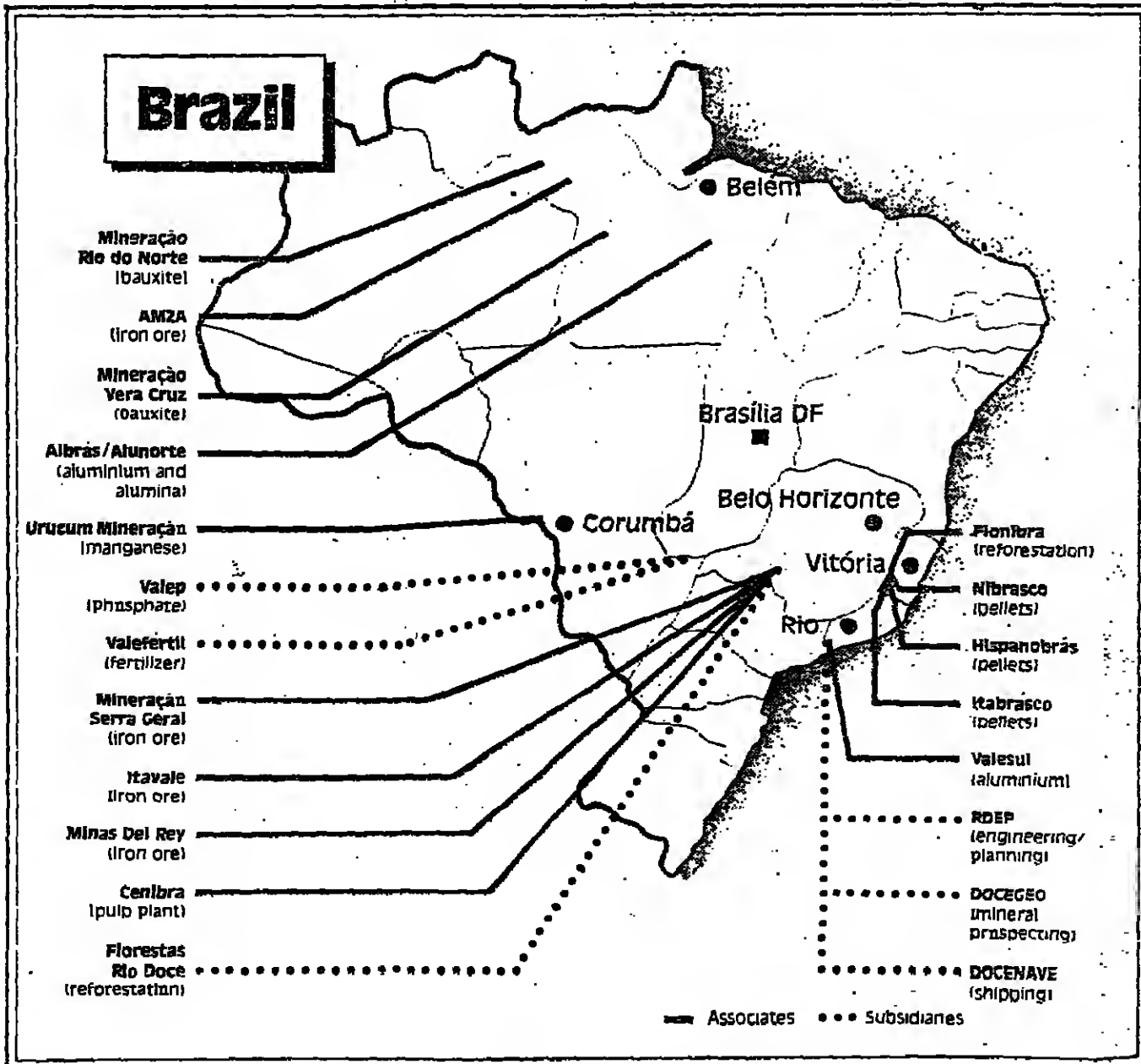
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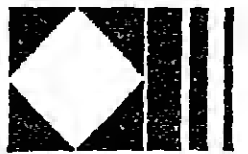
IRON ORE

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Companhia Vale do Rio Doce

HK alarmed by EEC textile move

By Philip Bowring

HONG KONG, Nov. 20. THE IMPACT OF EEC demands for cutbacks in textile imports from developing countries could be even more serious than first thought, according to Hong Kong sources.

Trade sources here feel the impact of this would be very serious indeed. Trade would be interrupted while the new categories were determined and distributed.

Renault to establish Frs.1.3bn. motor complex in Portugal

BY DAVID CURRY

THE FRENCH state-owned company Renault has concluded an agreement with Portugal which effectively transfers to the latter the management of Portugal's motor industry.

The final details of the agreement remain to be worked out but the new investment will come under the control of a holding company to be controlled 50-50 by Renault and the state of Portugal.

Renault to establish Frs.1.3bn. motor complex in Portugal

BY DAVID CURRY

at Guarda to the tune of 11,000 vehicles a year, representing a 14 per cent stake in the market. At the moment the Renault 5 is supplied to the form of CKD kits supplied from the company's Spanish subsidiary but a Renault production line is to be set up as part of the new agreement.

The French company has emphasised the amount of material which will be exported from Portugal, noting that the same period last year.

GM opens Kenya plant

BY JOHN WORRALL

GENERAL MOTORS, already a motor assembly plant, operated by General Motors, was opened last week in Nairobi by Mr. Mwai Kibaki, the Minister of Finance and Planning.

The first commercial assembly plant to be established in Kenya was Leyland which is now in full production.

Spending of Dutch gas revenue criticised

BY MICHAEL VAN OS

THE WAY in which Holland has spent its vast natural-gas revenues is "wrong" and has been "economically damaging," Dr. Coenraad Oort, until a few months ago Treasurer, General at the Dutch Finance Ministry, has charged.

In a speech on the so-called "Dutch disease," he said that the gas revenues should have been used to offset the negative impact of the oil crisis, to reduce wage inflation, to improve Holland's competitive position, and to strengthen its industrial base.

Diesel engine warning

By Kenneth Gooding, Industrial Correspondent

A WARNING that British manufacturers of diesel engines have about four years to prepare themselves for a massive challenge from Japanese, has come from Michael Hoffman, mass director of Perkins.

He says: "Potentially, Japanese could provide as a challenge in the diesel engine business as they have today in the automotive industry."

Monsanto shuts German plant

By David Buchan

BRUSSELS, Nov. 20. MONSANTO THE chemical and synthetic fibre multinational, is to close its textured nylon plant at Crailsheim, Baden Wuerttemberg in West Germany.

The Crailsheim plant, operating at a loss since mid 1975 and now losing the company \$100,000 a week, is another casualty of the influx of low cost nylon yarn from Far East countries.

Contracts

BY MICHAEL VAN OS

TECHMASHIMPORT has awarded Constructors John Brown a second contract for the design and engineering of an ethylene pipeline system in the USSR.

The contract, valued at about \$4.3m, also includes the procurement of the equipment and the supervision of erection and commissioning.

U.S. dumping move

BY MICHAEL VAN OS

MEANWHILE in the U.S. Du Pont said it has asked the U.S. Treasury Department to investigate what it believes is the selling of textured nylon yarn by Rhone-Poulenc at prices below production costs and prevailing prices in France.

Du Pont said it believes a large quantity of Rhone-Poulenc textured nylon yarn is being sold in the U.S. at less than fair value. The yarn is textured for use in circular knitting.

World Economic Indicators

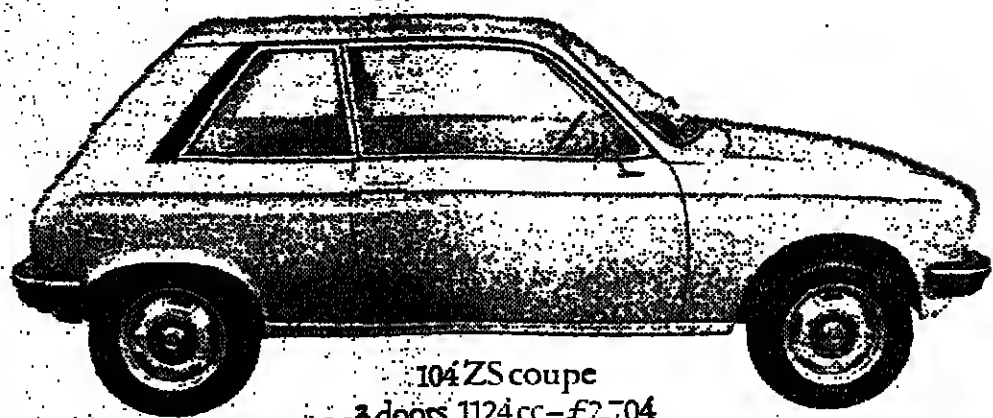
Table with columns: Country, Retail Price Indices (Oct 77, Sept 77, Aug 77, July 77, June 77, May 77), % Change over earlier year, Index. Countries include U.K., West Germany, Italy, Holland, France, Belgium, U.S., Japan.

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HOME NEWS

Company pulls out of auto gearboxes

By Terry Dodsworth, Motor Industry Correspondent

AUTOMOTIVE PRODUCTS, the Midlands-based motor components company, is pulling out of the automatic gearbox manufacturing business which it entered 12 years ago with a unit designed for the British Leyland Mini.

The company will give up making the four-speed box in June. It says that there will be no redundancies because workers are being switched to the clutch and brake-making activities which have grown significantly this year because of contracts from the Continent.

Automotive entered the automatic gearbox industry at a time when it was widely predicted that European motorists would take to this form of driving just as Americans had a decade earlier.

But the expected growth in the market never occurred. The automatic gearbox industry in Europe has remained firmly anchored in the larger, luxury vehicle sector rather than in the volume category which Automotive was pursuing.

Competition

At the same time, Ford and General Motors built plants for producing their own automatics in Europe, adding to the competition from ZF, the German company, and the U.S. multinational Borg Warner, which established two factories in the U.K.

Automotive's main business has remained with British Leyland, supplying the Mini, Maxi and Allegro. But it is making only 366 gearboxes a week for Leyland compared with an estimated capacity of 2,000 units.

A licensing deal has been concluded with Lancia, the Fiat subsidiary, for a new unit recently designed for the Beta range and possibly suitable for the Gamma range as well.

Automotive will supply 7,650 units to Lancia up to June, at which time the Italian company will take over manufacturing on its own account.

Duty-free probe

DUTY-FREE facilities on routes between Britain and the Irish Republic may be introduced, early next year. A joint study of the implications is to be made first by the British and Irish Governments.

Consumers more pessimistic than last month

BY STUART ALEXANDER

STRIKES and the threat of union action were the main reasons for a fall in consumer confidence the November survey carried out for the Financial Times by the British Market Research Bureau shows.

Of the 1,026 people questioned, 33 per cent. expected things to improve, compared with 40 per cent. last month and 22 per cent. expected things to get worse, compared with 14 per cent.

The shift was most marked among ABC1 men, where confidence had been highest, and least among C2DE women, and the highest positive reply to a special question on what consumers would do with a pre-Christmas tax rebate, was that the money would be spent on Christmas presents.

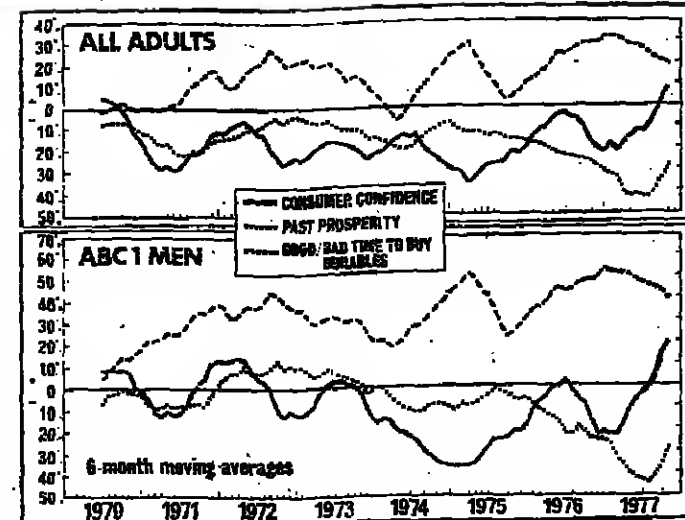
About 20 per cent. gave this answer with the result being influenced by replies from the North East and Scotland.

An overall 12 per cent. said they would use the money in pay bills and 18 per cent. of ABC1 men gave that reply. About 25 per cent. particularly the over-55s and the C2DE women, said that they did not expect to receive a rebate.

The main reason for pessimism—unions and strikes—increased from 12 per cent. last month to 47 per cent. this month. But the Government came inure into the reckoning with 18 per cent. worried about its influence compared with 14 per cent. last month and a low of 10 per cent. in August.

More people consider it is a good time to buy major items for the house, but there has been a fall to 43 per cent. from 48 per cent. in July, 47 per cent. in September and 45 per cent. last month.

While the C2DE buyers have always been less enthusiastic



than ABC1. It was the fall in confidence about "time to buy" among the ABC1 buyers that was mainly responsible for the fall. There was a rise of 5 per cent. among C2DE women.

Fear of unemployment is receding, although an overall 30 per cent. feels that it has yet to rise. In July the figure was 40 per cent. which has steadily fallen away.

There is much more optimism in the Midlands and Wales while in the North East and Scotland opinion is concentrated on being sure that things will become worse or equally sure that they will improve.

There was a small rise in the number of families who felt worse off than a year ago.

They registered 55 per cent. in June and fell monthly to 42 per cent. last month only to rise again to 44 per cent. Those who felt better-off than 12 months ago were steady at 22 per cent.

The most marked deterioration in the feeling that they were better off was among the 15 to 24 age groups. There was a jump from a balance of 5 per cent. being more pessimistic last month to 14 per cent. more being pessimistic this month.

It could swing back just as quickly whereas the balance of pessimism among the 35 to 55 age groups is steady at about 30 per cent.

New Lancashire spinning mill will be first for 50 years

BY RHYS DAVID

THE FIRST spinning mill to be built in Lancashire for more than 50 years is due to be opened in March by Carrington Viyella, one of Britain's big four textile groups.

The mill, which is being equipped with spinning machines made by Platt Saco Lowell, the U.K. textile machinery manufacturer, will have an output of 45,000 kilogrammes a week and will supply a large part of the spun yarn requirements of Carrington Viyella's Dorma household textile division.

The project, costing about £8m., comes at a time when more closures have been taking place in the past few months in the already heavily depleted Lancashire spinning sector.

Carrington Viyella hopes that the investment will enable it to benefit from economies available through the use of highly automated, modern plant.

The mill at Aberton, near Leigh, will replace two existing mills at Stockport and Leigh and will produce about the same

quantity of yarn with a much lower labour force. A total of 95 people will be employed at Aberton compared with 490 at the existing plants. Some transfers will take place and working conditions for the smaller labour force will be greatly improved, Carrington Viyella says.

The company believes that the move will enable it to produce yarns comparable in cost with

overseas yarns and with the prospect of a growing competitive edge, as labour and other costs increase in the main cotton yarn exporting countries in the Far East and the Mediterranean.

Use of new equipment in purpose-built surroundings will enable higher standards of quality control to be maintained than is possible with dependence on imported supplies.

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Consumer spending increase forecast

BY PHILIP BOWRING

A DECLINE in exports but increased consumer spending in real terms and a brighter future for smaller businesses, are among forecasts made by the Charterhouse group in its quarterly economic review published today.

The group's Business Forecast says cost and price inflation are declining fast, wages are expected to rise by about 14 per cent. next year and prices by 11 per cent.

However, the country's inflation rate is likely to exceed the average rate of competing countries so that the profitability of U.K. exports and the U.K.'s share of world markets must be expected to decline.

At the same time, the report argues, imports will increase, creating new problems for manufacturing industry and employment prospects. Profit margins on exports will decline but will improve on domestic sales with a 17 per cent. overall rise in gross profits of 6 per cent. in real terms.

Consumer spending has begun to recover and will be spurred on by the pension increases, tax rebates, pensioners' bonus, increase in child allowances and a cut in income tax rates next year.

Charterhouse forecasts growth in excess of 4 per cent. in real terms, but says public sector spending will be held down, with output as a whole rising by 3 per cent.

Companies should take advantage of the present low level of interest rates, as the report advises short-term rates are expected to rise next year in response to rising demand for funds. Long-term rates are unlikely to be affected to the same extent.

National Savings attract £199.7m. in five weeks

BY ADRIENNE GLEESON

NATIONAL SAVINGS attracted large receipts last month. Net new receipts in the five weeks to October 29 were £199.7m., against only £92.1m. in the preceding four weeks.

In part the improvement reflects the attractions of National Savings media when the interest rates available on short-term investments elsewhere were still declining. National Savings Bank investments accounts, in particular, enjoyed a big inflow, with net receipts of £55.6m.

Savings Certificate receipts rose from £24.2m. in September to £47.3m. in the five weeks to the end of October. Of that £21.7m. related to the successful Index-linked (Retirement) Certificates.

However, British Savings Bonds—which, with their tax breaks in force, have particular attractions for the high taxpayer—also did well, achieving the highest investment since July 1973, at £12.5m. net.

Before crediting interest receipts, the net inflow for the first 31 weeks of the financial year has amounted to £1bn., against £206.1m. to the corresponding period last year.

Much of that increase, of course, reflects the high corporate deposits made in the late summer, when the rate offered on one-month money in National Savings Bank investments accounts was well over 10 per cent.

The heavy inflow utilized the National Savings Bank to put a £50,000 limit on the size of any depositor's holdings.

The latest figures suggest that, although the corporate depositor has been discouraged, the private saver is coming back in force. The money put into National Savings goes to reduce the Government's borrowing requirement.

Healey misleading on pay, says Howe

BY PHILIP BOWRING

SIR GEOFFREY HOWE, Shadow Chancellor, has accused the Government of a "conspiracy of concealment" over the true level of recent pay settlements.

He said yesterday that the Prime Minister and Mr. Denis Healey, Chancellor, were trying to disguise the fact that the 10 per cent. guidelines were being exceeded in "probably the majority of cases."

Sir Geoffrey told a Young Conservatives conference in Bournemouth that the outlook for prices was far from as bright as it might appear.

"The pay bargaining that is now taking place is likely to be an inflationary time bomb at the heart of the economy," he declared.

Ministers had allowed the 10 per cent. increase in earnings formula to become a rigid, standard figure. But if the total national pay bill were to be held at that level, average industrial muscle would be lost.

Ireland and U.K. unite on EEC fish demands

BY OUR OWN CORRESPONDENT

EEC COMMISSIONERS and European Fisheries Ministers face a more united approach from the British and Irish Ministers to the coming battles over fishing rights in coastal waters, according to Mr. Brian Lenihan, the Irish Fisheries Minister.

The next meeting of EEC fisheries ministers takes place in a fortnight. Representatives of fishermen's organisations from England, Scotland, Wales, Ulster and Eire met in Dublin at the week-end and they, too, agreed on a common front in the search for a 50-mile limit for Britain and Ireland—whose waters contain 80 per cent. of the Community's fish.

Last year the Irish were angered by what they saw as the British tactics of watching from the sidelines as they fought the battle for a coastal hand.

This new unity of approach may have been prompted by a significant shift in Eire's fisheries policy since the new Dublin Government took office earlier this year.

Mr. Lenihan no longer talks about a 50-mile exclusion zone, which is still the demand of the fishermen, but of a 50-mile "control zone."

Concord opens New York service this week

By Michael Donno, Aerospace Correspondent

CONCORDE takes another step forward this week when it begins regular flights with British Airways from London to New York from December 2. On December 9 the aircraft starts regular flights to Singapore, Bahrain, to the colours of British Airways and Singapore Airlines.

These new developments, far as British Airways is concerned, will help to raise annual use of its Concordes from the present one-and-a-half hours a day for each aircraft to about four hours—a big step towards the target of seven-and-a-half hours a day which British Airways regards as essential before the aircraft can make profits.

Fares on the New York route will be £382 return (£431 single) or 10 per cent. above the current rate. The money put into National Savings goes to reduce the Government's borrowing requirement.

The latest figures suggest that, although the corporate depositor has been discouraged, the private saver is coming back in force. The money put into National Savings goes to reduce the Government's borrowing requirement.

Daily services

To begin with British Airways will fly Concordes twice a week to New York on Tuesdays and Sundays. It will be raised to four flights a week each way in December. There will be a weekly flight to New York in February, as more pilots trained for the aircraft.

Air France, however, launched its service with Paris to New York flights. After 10-morrow's inauguration, it will ensure a daily service with British Airways and Air France, the normal departure from Heathrow will be 11.15 a.m., with a 2-hour 15-minute journey to Kennedy airport, arriving at 10 a.m. on the following day. Passengers onward come to 103 U.S. cities and "same afternoon" arrivals should Concordes prove successful on the New York route, other airlines may be encouraged to either buy or lease aircraft.

British Airways and Air France are another pair of airlines on the portion line for which passengers, British Aerospace, Versapalate of France, seeking customers.

Air freight role for all airlines to

AIRLINES' air freight wardens, said charter operators, must learn to co-exist with stop living in fear of other. Their relationship crucial to the future of British transport industry. Mr. Keating, managing director of Atlas Air, told the Brighton conference of Freighters in the East during Freight Show 77.

Mr. Keating said there role for air freight forwarders and air charter operators did not conflict with the interests of airlines. They covered a wide range of the market.

Mr. Joe Goswami of British Airways confirmed scheduled passenger air would never be subject to the same rates as charter operators because they had obligations to maintain schedules regardless of the volume of freight.

Code of practice aids laundry customers

BENEFITS in consumers had resulted from the operation of the code of practice for laundries and dry cleaners in its first year.

Mr. Gordon Borrie, director-general of fair trading, said today, writes John Lloyd. He singled out particular benefits as better handling of complaints and a substantial reduction in the numbers of dry-cleaning and laundries who sought to limit the amount of compensation paid when clothes were lost or destroyed.

A monitoring exercise carried out by the Office of Fair Trading showed that since April last year, when the code was introduced, complaints against dry-cleaners and laundries have decreased greatly.

Cigarette market 'in turmoil'

By John Lloyd

THE U.K. cigarette markets show unprecedented turmoil, according to a review of the tobacco industry published by Simoo and Coates, stockbrokers.

Intense price competition is likely to persist, complete transition in the EEC tax system is due on Jan. 1 and tobacco substitutes have been "something of a fiasco."

However, U.K. cigarette exports remain competitive even after the former trend in sterling profit margins of the tobacco companies have stayed reasonably healthy.

Simon and Coates recommends that BAT Industries, Imperial Group and Rothman International look ahead in the long-term.



Williams & Glyn's knows there's more to a business than a balance sheet

At Williams & Glyn's we understand that a balance sheet rarely tells the whole story. Of course it's a necessary basis for discussing a lending proposition, but there will always be factors that figures can't reveal.

A business after all, is an organisation of people, not a page of computer print out. That's why we encourage our managers to meet you on your home ground; it gives them a real, first-hand understanding of your business.

And once we have the facts, we won't waste time. Williams & Glyn's is geared to arrive at decisions quickly. There is no elaborate hierarchy of committees.

Wouldn't you like a bank that knows how to look further than the figures and can act quickly? Talk to your local Williams & Glyn's manager. Or write to: Marketing Development Office, Williams & Glyn's Bank Ltd., New London Bridge House, 25 London Bridge Street, London SE1 9SX.

**Five ways to more profitable business**

- 1 Short-term Finance**  
Overdrafts can cover seasonal fluctuations in revenue and expenditure or provide additional working capital.
- 2 Medium-term Loans**  
A more formal arrangement for loans from 2-7 years for the purchase of new plant and equipment, etc.
- 3 Cash Flow Control**  
Williams & Glyn's managers are always ready to help with advice.
- 4 Instalment credit for new machinery**  
Through a subsidiary company, St. Margaret's Trust Ltd., Williams & Glyn's can provide instalment credit for the purchase of goods or equipment.
- 5 Development Capital**  
Through an Associate Company, Williams & Glyn's can provide finance for expanding private and public companies.

**WILLIAMS & GYLN'S BANK LTD**  
The most flexible of the big five banks  
A member of the National and Commercial Banking Group and one of the Inter-Alpha Group of Banks.

**IF YOU SMELL GAS-RING US**

If you smell gas, remember the simple safety rules—

- \* Don't smoke or use naked flames.
- \* Don't operate electrical switches—on or off.
- \* Do open doors and windows.
- \* Then check that you haven't left the gas on and unlit—or that a pilot light has not gone out.

If you suspect a gas leak, turn off the supply at the meter—and report the leak. Do this at once.

The number's in the telephone directory under Gas—and we're on call 24 hours a day.

We'll come quickly and deal with the problem. And if you smell gas at work or in the street, please report it at once. Don't leave it to someone else.

**WE'RE HERE TO HELP YOU—24 HOURS A DAY**

Ask at your local gas showrooms for our free booklet *Help Yourself To Gas Safety*, which describes the full range of services we provide.

**BRITISH GAS**



Entertainment Guide

These theatres accept certain credit cards by telephone or at the box office.

OPERA & BALLET
THEATRES
OPEN SPACE THEATRE
PALACE
PHOENIX
ROYAL COURT
ROYAL OPERA HOUSE
THEATRE
WELLS THEATRE

LABOUR NEWS

Battle looms on secret ballots

BY OUR LABOUR STAFF

THE SPECIAL rules of the conference of the Civil Servants' Association heavily rejected an attempt at Southport yesterday to change the structure of the union's annual policy-making conference.

Extra Leyland shifts to clear Rover backlog

BY OUR MIDLANDS CORRESPONDENT

EXTRA SHIFTS are being put on at Leyland Cars, Solihull, to clear a backlog of more than 3,000 Rover saloons.

Inquiry into bank staffs closer

BY OUR LABOUR STAFF

THE POSSIBILITY of holding an independent inquiry to sort out the tangled mess of staffs moved forward a little yesterday when Lloyds Bank group staff association agreed to cooperate with the move.

Catering employers fear sanctions over 13% pay rise

BY NICK GARNETT, LABOUR STAFF

CATERING employers are worried that they might be singled out for government sanctions over wage rises they say are outside earnings guidelines but which they will have no choice but to pay.

Appeal

Agreement has been reached that where production constraints exist in off-assembly line to bring back pay research units, which compare civil servants' pay with rates in industry generally—but only from 1970.

Assignments

As a result of the strike production of Dolomites and TR sports cars—best sellers in the U.S.—has slumped, with a total of 4,000 workers laid-off equally divided between Liverpool and Coventry.

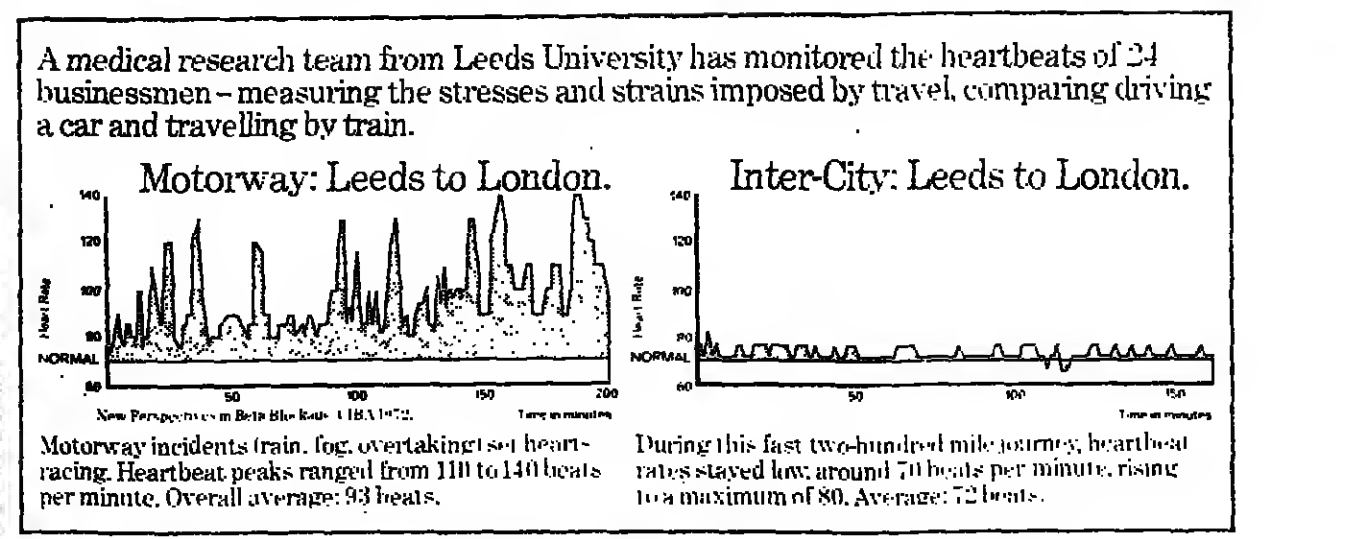
Scots bakers to merge with Shop Workers

BY OUR LABOUR STAFF

THE SCOTTISH Union of Bakers and Allied Workers will merge in January with the Union of Shop Distributive and Allied Workers, Britain's seventh biggest union.

Look what you gain when you travel by train

Advertisement for Inter-City train services. Includes images of a train, a car, and a person working. Text highlights benefits: 'A chance to do better business face to face.', 'Faster travel.', 'Greater comfort.', 'A hot meal, a drink or a snack on most trains.', 'A car at the other end (at over 60 stations).', 'The opportunity to work while you travel.', 'More relaxation.', 'Stress-free travel.', 'When you travel by Inter-City, you can forget about your problems. You won't hit any traffic on the way. You get time to have a meal, catch up with work and relax in real comfort (in fact, more than 50% of Inter-City trains are now air-conditioned). It all adds up to one thing: travelling Inter-City makes good sense. And good sense makes good business. So go Inter-City soon.'



Motorway incidents (rain, fog, overtaking) set heartbeats. Heartbeats peaked ranged from 110 to 140 beats per minute. Overall average: 93 beats. During this fast two-hundred mile journey, heartbeats stayed low, around 70 beats per minute, rising to a maximum of 80. Average: 72 beats.



Inter-City makes the going easy



# Building and Civil Engineering

## Cementation to sink £8m. shopping centre more shafts

WORK has just begun on the site of two shafts which are to be sunk by Cementation Mining at the National Coal Board's new mine project at Selby, Yorks.

The company is already working on two shafts and two drifts (for bringing coal to the surface) under an earlier award and the latest contract south of Riccall, worth about £10m., probably brings the total value of work now being undertaken at Selby by Cementation Mining to about £30m.

At Riccall, the shafts will be concrete lined and each will have an internal diameter of 24 feet and a depth of about 2,630 feet.

As shaft sinking operations already under way at Wistow and Gasgoigne Wood, water will have to be sealed off and this will be done by Foraky by Riccall, worth about £10m., probably brings the total value of work now being undertaken at Selby by Cementation Mining to about £30m.

It is expected that the work at Riccall will take three years to complete.

STAINES in Middlesex is to get planned for late 1979 in time for a big new covered shopping Christmas trading. The contract centre. The £8m. contract for its construction has gone to Sir Estate Commercial Development Robert McAlpine and Sons. The centre will provide 250,000 square feet of retailing space on a seven-acre site and will include a multi-storey car park with lifts giving direct access to the shopping malls.

McAlpine says work is to start immediately with completion

## Moves coal and coke

EXCEPTIONALLY large materials handling contracts, worth a total of more than £3m, have been secured by Fletcher Sutcliffe Wild (Booker McConnell group).

Pride of place goes to the £1.5m. merry-go-round rapid loading system which the NCB is to have at Rawdon colliery for the filling of trucks with coal for power stations. The system will be designed, manufactured and installed by FSW.

A similar but smaller scheme, worth £1m., for Oakdale colliery also requires the construction of a 750 tonne capacity steel bunker and associated handling equipment.

For BSC Souththorpe, FSW will provide a £1m. coke handling conveyor system, able to handle 355 tonnes an hour.

The company is also supplying a £109,000 conveyor at BSC Redcar to replace a unit damaged by fire.

## Conductive concrete

SOLVING MANY of the problems of providing power and radio frequency earthing for radio, TV and radar transmitters, computers, etc. is a conductive building aggregate developed by Marconi Communication Systems and intended to replace, say, sand in concrete mixes to produce a conductive structure—floor, wall, screed, etc.

Marconite can be used to produce materials with normal compressive strengths having a range of predetermined resistivity values. This means that it is extremely versatile in its applications, some of which have not yet been explored experimentally.

For instance, it is possible that Marconite materials could serve as permanent electrodes for impressed cathodic protection systems.

Developers indicate that use of the material in a structure is a welcome alternative to the provision of conventional earthing or screening, which, depending on the type of equipment and the objectives to be attained, can be complicated and lengthy, sometimes resulting in unexpected interference effects.

Marconite can be used as a simple earth plane in the form of a floor screed which will provide side earthing and screening and

## Rippin win in Mid-East

TEN PLANTS to house a variety of industries are to be built under a £1m. contract awarded to the Rippin Group of Auchtermuchty, Fife. Expectations are that this is the first phase of a three-phase development so that two similar sized contracts will be placed before the end of the first quarter next year.

Rippin is a comparatively small unit so far as civil engineering is concerned, but there are 12 companies in the group with a certain amount of cross-help available.



TRADITIONAL METHODS of excavating trenches to ground too hard for excavator ripper teeth involve the use of explosives or jackhammers. Both are expensive in time and labour, and there are often other objections, such as environmental difficulties.

The West German company Paurat of Friedrichsfeld, has developed this trench-cutting machine specifically to answer these problems. It is stated to be capable of cutting trenches up to 6 metres wide and 3.6 metres deep in rock up to a maximum hardness of 20,000 psi compressive strength.

Weighing 100 tons, the machine is powered by a 12-cylinder, 350-hp diesel driving a generator to produce 370 kVA at 500 V, which is used to drive hydraulic pumps and electric motors. The crawler tracks are driven by hydraulic

piston motors, giving a maximum rate of travel of 4.7 metres/minute. The boom carrying the cutting head is steered, raised and lowered by hydraulic rams, and a hydraulic jack provides a 15-ton radial cutting force. The head is driven by a 200-kw electric motor.

Remote control from cable-connected console enables the operator to stand alongside the trench being cut.

Cutting action is achieved by thrusting the head axially into the rock and then moving the head laterally and vertically. The debris produced can be removed by a back-hoe excavator or similar machine.

Details from the company's U.K. office at 51, Higher Lane, Langland, Swansea (0782 68176).

**STEEL BARS AND SECTIONS**

RELIABLE SERVICE in times of scarcity and plenty

GKN(South Wales) Ltd. (A member of GKN Rolled & Bright Steel Ltd.)

Castle Works, Cardiff CF11 0TD. 0222-33033

## Transports the trolleys

SERVICE LIFTS for the vertical transport of laden trolleys have been developed by Oak Elevators, Mandevell R Gaddy, Leicester, LE2 9LL (0153246).

Trolleys come in a number of models with capacities of 200 and 250 kg. The range is standard lift speed of metres/second.

Lifts are supplied with a supporting steel structure, pre-fabricated sections, which include guides, doors, etc. Structural loads are thus transferred to the base of the lift shaft.

Lifting may be of 1.6m. thick coated sheet steel, plastic-coated steel, or an aluminium alloy giving two hours protection.

The steel car is lifted on roller chains, with an auto-balance the load. A ramp door type and controls are fitted, and accurate car level at each floor is provided, eliminating difficulties when using trolleys with small wheel

## £17m. naval base additions

ARCHITECTS and project managers for the fourth phase of the landward side of the partially completed naval base at Qatir in the Gulf are to be SBT Middle East, the overseas practice of Sott, Brownrigg and Turner.

It is understood that this stage of the development will include major building operations, provision of extensive sports facilities and landscaping. Estimated cost is £17m.

## £3m. awards to Tilbury

TWO contracts, together worth about £3m., have just been won by Tilbury Construction.

The largest is for the Royal Borough of Kensington and Chelsea and calls for the construction of 132 dwellings at Tavistock Crescent, London, W.11. Twelve 4-storey blocks of flats are to be provided with car parking areas and landscaping. Architects are H. T. Cadbury Brown and John Metcalfe.

The second contract, on which work is due to start on January 4, is for the London Borough of Hillingdon and includes 38 dwellings and an old persons home. Hippen, Randall & Parkes are the architects.

## Laboratory project

PROJECT management of a new research and development laboratory for the Hickson Group on a site within the present boundary of its factory and offices at Castleford, Yorks, is to be undertaken by White, Young and Partners of Leeds.

The building will be steel-framed and brick clad, with precast concrete floors on piled foundations. Total floor area will be 3,000 square feet. Cost of the project will be about £280,000.

## Lift truck for rough terrain

FAST SHIFT to forward or reverse, and easy selection of two- or four-wheel drive are two of the control advantages offered on a fork lift truck for the agricultural and construction industries.

Capacity is 2,500 kg. at 500 mm. load centres, and the mast has a side shift facility. Powered by a Perkins 48.5 bhp three-cylinder diesel, the truck's transmission is designed to apply equal torque through both axles. Top speed on the road is 20 mph, and the machine can climb a 33 degree grade. Drawbar pull is 5,100 kg.

Twin ram hydrostatic steering, design of the steer axle, high ground clearance, rotation tyres, and the four-wheel drive, all contribute to rough terrain manoeuvrability. Controls are "hand drop" positioned, and mast operation is controlled by a "dead man's handle".

Optional attachments include a range of three-stage masts, and implements for the construction and agricultural industries.

More from Bonser Engineering, 115, Giltbrook, Nottingham, NG16 2TX (060743 3251).

## River bed protection

UNDER a £7m. sub-contract awarded by the Costain-Tarmac-HBM joint venture, HAM Dredging and an associate company, ACZ is to carry out river-bed protection and dredging work at the Thames Barrier, Woolwich, London.

The work, which starts soon and is to be carried out in phases over the next four years, will include the laying of mattresses on the dredged river bed and placing of about 200,000 tons of stone. Consulting engineers are Rendel Palmer and Tritton, London.

## Retail shops and offices

FOLLOWING its start on £400,000 retail complex in Kilmarnock, Scotland, in collaboration with Timberland Styles and Wood has announced that it expects to begin two more similar projects in the spring.

one will again be in Scotland and the other in Lancashire.

The company says it is also building a £250,000 office block in Sheffield for the Department of Health and Social Security.

## Housing by Laing

JOHN LAING Construction has won a £550,000 contract to build 56 homes at Reading Road, Farnborough, Hants., for the Thames Valley Housing Society.

The two-storey semi-detached and three two-storey terraced houses are to be built to blend with existing properties in the area. Behind these will be 37 two three-storey blocks, one two-storey block plus a storey block of six flats for people.

The architect is A. Stephenson.

### IN BRIEF

- Midlands Division of FPA take up the manufacture of heavy roof coating compounds worth close on £1m. to build a two-storey supermarket at Corby, Northants for Allied Suppliers (Properties) for completion within 11 months.
- Thomas Weatherald is to build two factories, including one at Walkerville, Catterick, for East Industrial Estates Corp. of 5,000 square feet and worth nearly £90,000. The second unit is at Tanfield Lea, Consett, Co. Durham and is for the Eden Engineering Co. This 4,500 sq. ft. centre is worth about £85,000.
- Wolverhampton building specialist, Plastic and Resins, has signed an agreement with a Brazilian group under which the latter will be the sole producer in Brazil of 40,000 square metres of protective coatings. They Ray-D-Do company of Sao Paulo will initially supply the Qatar Government.

# Heating Plus

The way to build homes with electric heating that makes them cheaper to construct and economical to run.

Homes that are cheaper and easier to build. And easy and economical to run. These are the big advantages of building the Heating Plus way.

What is Heating Plus? Its Electricity's name for the cost-effective combination of electric heating plus extra, integral insulation. Cost-effective for house builders, because the total installation cost (heating system, insulation, labour) can be up to 25% less than for systems using other fuels. And cost-effective for occupiers, by giving them the extra cleanliness and convenience of electric heating with the most economical use of energy.

### Flexible, controllable heat.

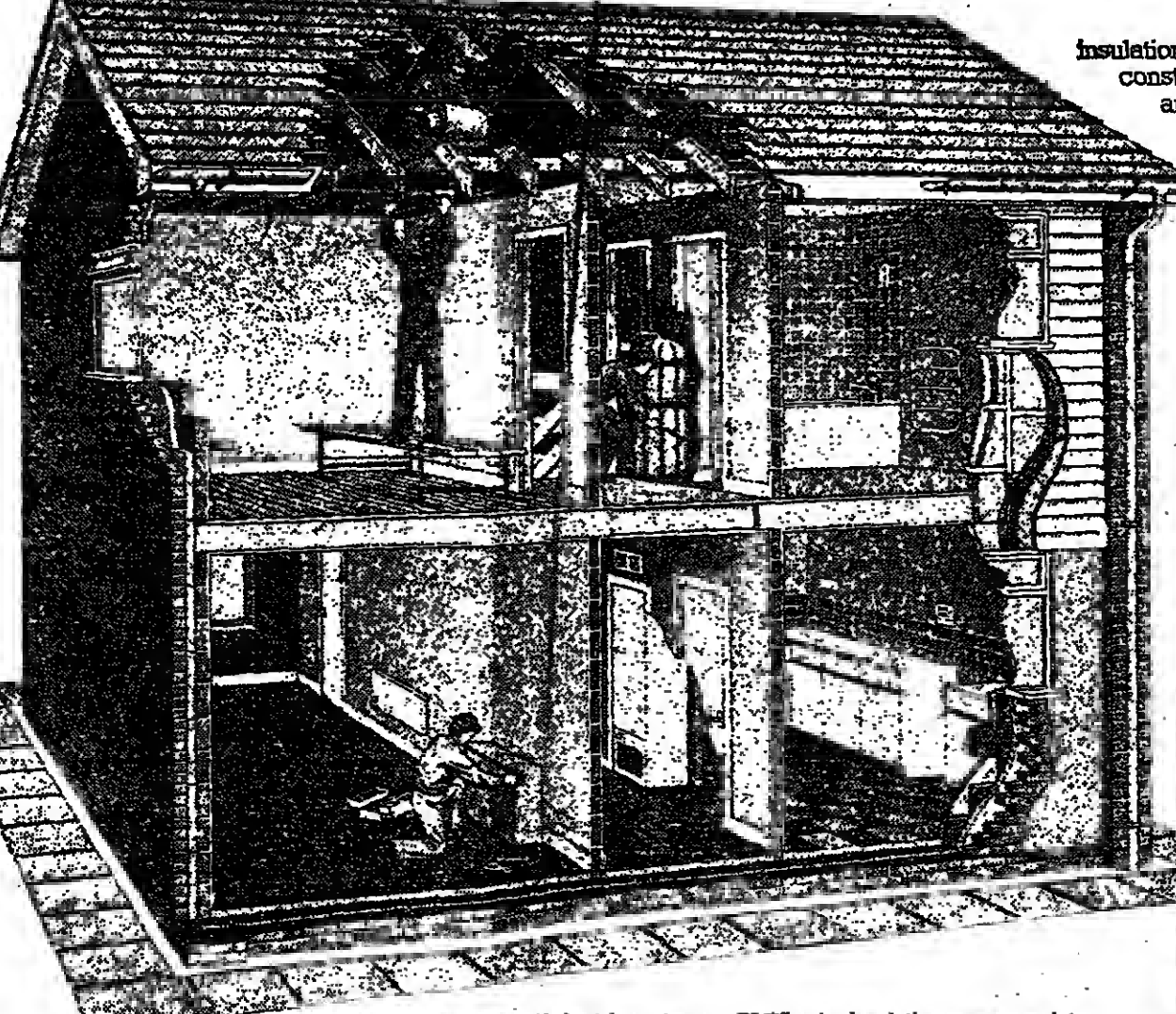
Heating Plus offers you a more flexible choice of equipment and installation options than any other fuel. Systems include radiant ceiling heating, with its quick warm-up and room-by-room controllability; Electricaire warm-air ducted heating, running on cheap off-peak rates; and electric storage radiators—the ideal 'add-on' system for growing families. No problems with flue locations or piping runs. And each system can be regulated with easily operated thermostats and controls.

### Clean, convenient water heating.

Heating water by electricity is the cleanest, most convenient, most reliable method of all—and Heating Plus offers a wide range of options. These include 'point of use' units for sinks and baths; instantaneous shower units; and central storage systems with two immersion heaters, to run economically on the 'White Meter' tariff.

### Extra insulation.

Heating Plus begins where the Building Regulations leave off. It provides for extra insulation where most heat would otherwise be lost. That includes additional roof



insulation. Insulated external walls—either cavity-infill, or dry-construction quilting. Plus further options such as double glazing and door and window draught-proofing. Yet because of the moderate cost of electric heating equipment, the overall cost can compare favourably with other systems using less insulation.

### Compare the costs.

Here's a typical example, for an 80m<sup>2</sup> semi-detached house. The capital cost of fuel-fired, piped central heating and indirect water heating, with insulation to Building Regulations, is around £750. For a system of electric storage radiators, panel heaters and water heating, plus extra cavity-infill and roof lagging, the current capital cost is only around £550. And the estimated annual running costs, allowing for varying lifestyles and comfort requirements, are both within the range £140-£160.

### Plan now for Heating Plus.

Heating Plus offers you a great new opportunity to build comfortable, attractive, economically-run homes. Your first step is to contact the heating expert at your Electricity Board. Equipment, installation, plans, costs—he can advise you on them all. Ask him for full details today.

ELECTRICITY BOARDS	
London Jim Hart 01-588 1280	South Wales Bill Carey Cardiff 798111
South Eastern Ken Hopkins Brighton 739221	Merseyside and North Wales Brian Ogden Chester 40833
South West Ken Jeremy Littlewick Green 2168	Yorkshire David Scora Leeds 892123
South Western Ian Critchton Bristol 26062	North Eastern Derek Rowan Newcastle 275
Eastern Les Critch Ipswich 55841	North Western Ron Pitches 061 834 8161
East Midlands Andrew Jones Nottingham 269711	South of Scotland Bill Archibald 041 637 1117
Midlands John Elliot 021 422 4000	North of Scotland Tom Martin 031 225 1361

It's good sense to build the Heating Plus way.

**BUILDELECTRIC**

The Electricity Council

Composite illustrations showing the full choice of Heating Plus options. Consult your Electricity Board about the best combination for your project.



# Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHNETERS

## PLASTICS Gauze makes a strong joint

**DEVELOPED** and patented by this apparently simple technique Engineering Research and Development, but the Association, a new properly applied, will produce a joint of joining thermoplastic joints which are stronger than provide a significant answer to the base material. It is applicable to a wide range of materials, including thermoplastics, and is particularly suitable for use in the repair of components or those likely to be highly stressed, such as in the repair of broken units.

ERA has called its technique the "Peramit" process, explains that the essence of the process is the embedding of a gauze or perforated plastic into the joint area to be treated. This is done by melting the plastic into the cavities of the joint. On cooling and solidification, the material locks itself and the remainder of the structure is reinforcement.

ERA is offering an advisory service in which technologists will look at what is manufactured and propose to do, suggest suitable equipment and help in the design of suitable equipment and production of pilot batches of a component or a sub-assembly.

ERA, London, Mowbray, Leics. LE13 0PB, 0654 4133.

## INSTRUMENTS Low-power printer

HERE A printer is needed to internal battery drive but a plug-in power supply option. Batteries will last up to five weeks on standby in the low power mode.

Print-out is controlled remotely by a crystal clock and a printer speed is 24 characters per second. The unit accepts ASCII coded data via the proposed IEC Standard Bus.

B & K Laboratories, Cross Lanes Road, Hounslow, Middx. TW9 5SA, 01-894 7161.

## Detects product change

TECTION equipment which senses a change of product in a pipeline, even when the difference in specific gravities is very small, uses a pulse of ultrasonics to detect the approach of an intruder, based in principle on the variation that the speed of sound changes very considerably when petrol with an additive is added to a compound.

The emitter and receiver can be used on pipes from four to 60 inches diameter, and provide a resolution of 0.5 metre second and an output accuracy of half a per cent.

Any number may be multi-plexed into a single electronic controller.

Maker is the French company Ultratex, which has given an exclusive U.K. agency to Westech Instrumentation Systems, Binary House, Park Road, Barnet, Herts. EN9 5SA, 01-449 7161.

## OFFICE EQUIPMENT Delivers flood of mail

STOM-BUILT, the biggest of mailroom machine come so far ordered in Britain is taking shape over the next 12 months at Roneo Vickers, an exacting requirement Diners Club.

he latter wants to streamline billing of statements and the patch of other documents to its 200,000 U.K. members. Part of the unit will be the

Erma inserting equipment first shown by Roneo at the recent International Business Show in Birmingham. Working with a reading head, folding station and two selective inserting stations. Additional specifications will enable the £60,000 complex to deal with 250,000 pieces of mail a month and be expandable. More from the company on 01-886 4333.

## CONTRACTS AND TENDERS

**Guanos y Fertilizantes De Mexico, S.A. (Guanomez)**  
Invitation for Prequalification to Bid for Design and Supply of Fertilizer Works

1. Guanos y Fertilizantes De Mexico, S.A. (Guanomez) intends to construct a fertilizer manufacturing complex at Lazam Cardenas, Michoacan, Mexico including the following facilities:  
Area 1: A 324,000 tons per year (TPY) sulfuric acid plant using elemental sulfur as raw material.  
Area 2: A 198,000 TPY phosphoric acid plant.  
Area 3: A 210,000 TPY nitric acid plant and a 270,000 TPY ammonium nitrate plant based on liquid ammonia supplied by Petrosol Mexicana, S.A. (Petrosol).  
Area 4: A 275,000 TPY diammonium phosphate plant and a 250,000 TPY complex fertilizer plant including four grades: 17-17-17, 20-10-10, 16-20-0 and 15-30-15.  
Area 5: All utilities and services and storage facilities required for the operation of the above units; and including port and ship loading facilities to be constructed adjacent to the project site.
2. Guanomez wishes to enter into contracts for each of the above areas 1 to 4 to include provision of process licenses, basic engineering design, supply of all equipment of which would be obtained within Mexico, procurement services for bulk materials and supplies, coordination of construction and site supervision and supervision of detailed engineering and site supervision of construction (both to be performed by Mexican Companies at Guanomez cost) on a reimbursable basis.
3. Guanomez wishes to enter into a contract for area 5 inclusive of basic engineering design, foreign procurement services and construction coordination on a lump sum basis and site supervision of detailed engineering, local procurement and site supervision of construction (all to be performed by Mexican Companies at Guanomez cost) on a reimbursable basis.
4. Guanomez has applied for a loan from the International Bank for Reconstruction and Development (IBRD) for the project and intends to apply the proceeds of this loan to eligible payments under the contracts for which this notice is issued. Payment by IBRD will be made only at the request of Guanomez in accordance with terms and conditions of the loan agreement. Purchases will only be made from the member countries of IBRD and Switzerland.
5. Firms interested in being invited to bid for one or more of the five contracts as above are invited to submit in English evidence of their qualifications and experience and the additional information listed below:

1. Experience in design and construction of similar plants over past ten years.
2. Annual reports for past two years showing financial statements.
3. Outline of organization of the firm and numbers and types of employees.
4. List of contracts presently being handled.
5. Reference list of projects completed and clients.
6. Description of manufacturing facilities if any.

1. Description of process and plant offered.
2. Complete list of all equipment items included within battery limits or designated plant area.
3. Estimated time for completion of construction of facilities from award of contract.
4. Estimated erected cost for battery limits production units.
5. Typical specific consumption of materials and services for battery limits production units.

1. A statement indicating the firm's willingness to bid on a lump sum basis as described above.
2. Guanomez reserves the right to verify all statements and inspect applicant's facilities to confirm the ability of the applicant to perform the work described and reserves the right to reject any prospective firm without assigning any reasons therefor.
3. Principal factors that will be considered in evaluating bids from prequalified firms will be price, quality of goods and services offered, operational maintenance and installation costs, performance, guarantee, delivery and completion schedules, terms of payment, etc. as specified when requesting bids.
4. Firms who have not previously designed, supplied and constructed similar plants should not apply.
5. Interested firms should attach their prequalification applications to the above information.

Guanos y Fertilizantes De Mexico, S.A. Morano No. 804  
Colonia Navarrete Mexico City 12, D.F. Mexico  
Attention Lic. Jose Estrada Ojeda  
So as to be received no later than December 15, 1977.

## PACKAGING Keeps sack stacks stable

STACKS of sacks filled with materials which are so finely pulverised that they round out their containers can tend to be extremely unstable.

Because of this, Uddeholm of Sweden has developed a packaging high-strength paper that is the "complete" answer to slippage during handling and stacking. It is very rough on the outside and has the usual smooth finish inside and is thus ideal for powdered substances such as cement and flour.

Uddeholm is offering this dual rough and smooth outside/inside finish as standard on all "Udd-sack" papers.

Marketing in the U.K. is in the hands of Eckmen Cleve, of 17, Addison Road, Croydon, Surrey CR9 6HR. 01-886 7451.

## HANDLING Belt weigh unit gets approval

PATTERN approval of its type RFA4 belt weigher, has been granted to Inbo by the Department of Prices and Consumer Protection. Approval is for a belt weigher for use for trade, with an accuracy of plus or minus 0.5 per cent over a range of flow rates from 20 per cent to 100 per cent of the maximum rated flow rate, and which meets the requirements of the Weights and Measures Regulations. These requirements are mandatory for trading in bulk materials on the basis of weight measurement determined by a belt weigher.

Criteria used in the examination and associated testing correspond closely to the new EEC regulations for belt weighers, reference 75/430/EEC.

Several installations are now in hand at locations in the U.K. and Eire, which, when completed, will provide up-to-date trading facilities suitable for both home and export transactions.

Applications in the British Isles include installations for handling materials as varied as haemite coal, fertilizer and grain. In addition to the trading applications, installations are already in operation handling coffee beans, iron ore and concentrates, road aggregates, sugar beet and tobacco.

The single cell protein is recovered from the effluent and dried. It is stated to be of similar feed value to soya bean meal and other protein additives.

Details from Farrow Effluent Engineering, Horseshoe Road, Spalding, Lincs. (0775 3764), a Tate and Lyle Engineering Company.

## AVIATION Spreads its wings to save fuel

AIRLINES TAKING delivery of the U.S. National Aeronautics and Space Administration. It is continuing with a £1.6m. research programme on the device.

This is part of a long programme of continual improvements to the TriStar, which have already led to new derivatives, such as the Model 500 long-range airliner ordered by British Airways, and the Model 400 for Lockheed, the TriStar's menu-shortener. Both these models have shorter fuselages than the standard TriStar.

Lockheed's basic philosophy is to introduce improvements into its TriStar range of aircraft wherever it can, so as to provide customers with longer life, stronger structure, better fuel economy and greater profit-ability per aircraft, rather than spend vast sums on developing stronger inboard sections of the new models in competition with other major manufacturers.

It feels that this "derivative" approach in the long run will save money and result in better aircraft. The TriStar already incorporates a number of more responsive overall control features stemming from this philosophy, including a more sophisticated automatic landing system, than is used on rival eight hours, with funds from

## AUTOMATION Traffic scheme expands

LEICESTER, which in 1974 was one of the first U.K. cities to have its key road intersections and other traffic points controlled by a computer, has been joined by Loughborough in a £100,000 extension to the County Council's scheme. Both are supervised from the Leicester city control centre.

The total now spent amounts to about £260,000, and Plessey has again supplied most of the equipment. Traffic signals are switched according to fixed time plans which are computed off-line from accumulated traffic data and are selected automatically according to day and time of day.

Leicester has 13 control sub-areas and with the addition of 14 signals at Loughborough there are now 99 controlled traffic lights and 44 pelican crossings. One of 20 possible time plans can be applied to each of the sub-areas. The original pair of Honeywell 316 computers remain: most of the new work has been in providing multiplexed lines from Loughborough

and the associated field equipment and electronics.

After three years of work the county's highways committee is convinced of the value of the system and claims a 12 per cent speed up of traffic—measured in terms of a decrease in delay times and a reduction in the number of stops—in spite of an increase in traffic volume of about 8 per cent since the system was installed.

What this means in terms of money saved, by all concerned including drivers, is less easy to quantify. The system has, for example, reduced the accident rate—and the official estimate of the overall cost to the community of a fatality is put at £30,000.

Apart from this, policing is kept to a minimum and easier access makes the city centre more attractive to business. Three more towns of the size of Loughborough could be put on the computer, and there are tentative plans for Hinckley and Coalville.

For Plessey the Leicester scheme has been something of a showpiece and there have now been 150 visiting parties from overseas. As a result an order has been obtained from Durban and negotiations are underway for a large scheme in Sao Paulo in Brazil. Nearer to home, it is understood that an order will shortly be announced from Norwich.

GEORGE CHARLISH

## METALWORKING High speed hardness testing

BASED ON a mechanically coupled motor-driven clamping and load-application mechanism, an Emco test automatic bedness tester is now available in the U.K.

Hardness value is shown both on dial gauge and by light indicators, to pre-set tolerance limits. Maximum capacity is up to 1600 lests/hr.

The machine can be incoorporated into a production line, and can be fitted with three chutes, when it will automatically sort components into "correct," "too hard" or "too soft." Because the unit is spring loaded there is no inertia dynamic effect on the measurement.

Up to 6mm dimensional differences in specimens can be accommodated without adjustment of the spindle. Maximum test height is 220mm, and the machine has a throat depth of 150mm.

It will carry out all the standard Rockwell tests, and is marketed by Rockwell Hardness Testers, Sandy Lane, Stourport-on-Severn, Worcs. 102983 7628).

## PROCESSES Animal feed from waste

EFFLUENT FROM confectionery manufacture can be treated in a plant developed by Farrow Effluent Engineering to produce protein that can be used in compounding animal feed-stuffs.

The effluent, which contains a high proportion of carbohydrates, is treated with a yeast culture to produce single cell protein.

The process comprises a balancing tank to receive flows discharged from the factory, followed by nutrient addition, pasteurisation, or sterilisation as required, prior to injection into a selected culture fermentation process under controlled pH and temperature conditions. The culture converts the soluble substrate, reducing the chemical oxygen demand (COD) of the effluent and making it suitable for discharge.

The single cell protein is recovered from the effluent and dried. It is stated to be of similar feed value to soya bean meal and other protein additives.

Details from Farrow Effluent Engineering, Horseshoe Road, Spalding, Lincs. (0775 3764), a Tate and Lyle Engineering Company.

## COMPONENTS Micros on the boil

MOTOROLA has developed a version of its 6800 microprocessor which, together with essential supporting devices, can be operated at temperatures as high as 125 degrees C or down to minus 55 degrees C.

The support chips are a static RAM and peripheral end communications adaptors.

It is intended to add other devices to the new series, prototypes of which are already under test in satellite communications and military applications.

Meanwhile, Plessey Microsystems reports rapidly growing interest in Germany for its high-speed microprocessor, the Miproc 16.

For applications such as relays, lamp drivers, small motor controls and drives for larger thyristors, Motorola has a new series of silicon controlled rectifiers MCR100. They are sensitive to a gate trigger current up to 200 microamps, will pass 800 mA and are supplied in six ratings of peak reverse blocking voltage. 01-802 8836.

Litronix has announced seven-segment numeric LED displays which are priced between 30 and 40 per cent below available equivalents. This D800 series has a half-inch character height and is available in 14 and 2 digit versions. 0482 56322.

Sasco is now offering the International Rectifier range of high speed fuses for the protection of semi-conductor devices. They depend for their operation on a pure silver element formed with a series of necks to ensure a quick break with no possibility of reforming. More on 0293 26700.

## MATERIALS Cleans up castings

WHITE corrosion on aluminium diecastings is a problem in the metal finishing industry. However, experiments carried out on a number of corroded aluminium diecastings at research laboratories belonging to Osro show that the problem can be solved.

Osrobrite AL 15, a chemical which will remove the white deposit and leave a clean casting which is passivated at the same time.

Osro, Trubro House, Mark Road, Hemel Hempstead, Herts. Hemel Hempstead (0442) 42181.

Quaje DV, also of West Germany, is taking nine Miproc for use in process control applications in a hierarchy arrangement, with a master fed processed data by a number of slaves.

## Film stops corrosion

OIL-RESISTANT polyvinylchloride 0.300 mm gauge film has been developed as anti-corrosive packaging for components requiring prolonged shelf-life. The film is guaranteed for a minimum life of five years.

Made by Wallington Weston and Co., of Frome, Somerset (a Marley company), the film is marketed by Autopuf, Bodmin Road, Wyken, Coventry (0203 512316).

## CNC lathes from Japan

FIVE CNC lathes from Japan are being delivered to companies in the Murfied Group. They are the first Ikegai Gennum CNC turning machines to be supplied to a British company.

Each of these machines is for small bar end chucking work, with its main drive from a 15 hp DC motor. Maximum bar diameter is 41mm end cutting length is 300mm. The spindle, which is bored 51mm diameter, has 29 speeds available from 100 to 2,500 rpm—optimum cutting speed is automatically selected.

The turret carries 13 tools, and a microscope setting gauge enables even unskilled operators to set tools to within 0.001mm.

Marketing in the U.K. is by N. C. Engineering, 26 Benskin Road, Watford, Herts, WD1 8NW (Watford 24396).

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NICK GARNETT in Wales with the miners of Bedwas

# The battle nobody wants

THOSE OF THE 700 miners at Bedwas colliery outside Cardiff who bothered to read the Miner, the official journal of the National Union of Mineworkers, were told last month that the incentive scheme then proposed by the Coal Board was a chance to "loosen the wages corset."

Having seen the scheme chucked through the window by national ballot, miners up and down the country have been pondering whether they will have the will and the need to rip the corset to shreds.

Bedwas, in line with the South Wales area, voted by a large margin against the incentive scheme and is putting its shoulder behind the NUM's declared target of up to 90 per cent wage rises.

NUM officials, who were exhorting their members to throw out the scheme, were playing on real fears and suspicions. "As far as most of the men are concerned, anything like this smells of piece work," said Ken Jones, the union's lodge secretary at Bedwas.

What is more, at least according to many Bedwas miners, including many who voted against the incentive scheme, it would not take anywhere near what they are publicly aiming for to arrive at a position where, albeit grudgingly, they would accept what was on offer.

That some form of package involving real pay rises well over 10 per cent might have to be justified within Government guidelines is worrying enough for Ministers and Coal Board officials.

It would be an even grimmer prospect if the national 55 per cent wage rise against the incentive scheme was a reflection of deep-seated hostility to anything but enormous flat wage rises. That, however, does not appear to be true.

Among the Bedwas miners, however, is a strong current of suspicion about the Coal Board's intentions.

"We have been in the money for a little while and then they've tightened up when the steam had been taken out of our wage claim," was a not-uncommon feeling.

One reason why the miners in South Wales voted so solidly against the scheme was a traditional loyalty to the area executive which in this case had been recommending rejection.

Another was the region's geological problems. Given that many miners appeared to be worried about whether it would mean much to their pockets, anything which might prevent targets being met would naturally weigh heavily.

"There's no such thing as a free lunch," one miner said. "Half the men here didn't even read the Miner to get the details. Some even thought their jobs would be downgraded, which is nonsense."



Miners at Bedwas... "We remember the rat race."

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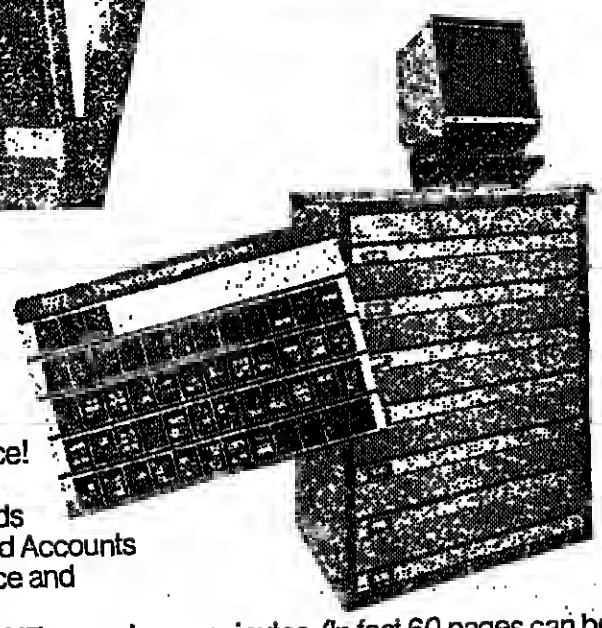
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### Rat race

The way the scheme was presented by some area union officials and confusion over what it really meant was one, if not the main, reason why it was voted out.

The scheme offered £23 a week and more for facemen, less for other grades, providing pit-based production targets set locally were met.

"When we had the meeting on it, the area official wouldn't even discuss the individual points," one Bedwas miner said.

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مكتبات الأصيل

Advertisement for George's Sailors, featuring a picture of a sailor and the text 'George's Sailors after the...'



# The Executive's and Office World

Sue Cameron reports on industry's love-hate relationship with the media

## How to upstage your competitors

OR managers tend to know and care less about the public relations, but they turn quite nasty if an colleague is given the job over the company's credit and television.

This is a situation that always arises however self-facing the rest of the Board may be. Prepare yourself for it if you are chosen as spokesperson from day one by maintaining a good internal relations programme.

Mr. Watts claims that many top managers in U.K. companies are either ignoring public relations altogether or else regarding it as yet another chore—and a low priority one at that.

The media course offered by AVP is said to be able to stop people making these basic mistakes. It lasts only two days but Mr. Scott-Job says the improvement in the students' television performances is marked.

considering its length. Yet Mr. Scott-Job says AVP's profit margin on the course is not particularly high. He points out that there are never more than six people on each course, that proper studios are used as opposed to what he calls "toy town cameras," that staff-student ratios are high and that the fees of journalists such as the BBC's Sue Lawley, who puts the executives through their paces, also have to be met.

company spokesmen should be chosen by outside consultants or observers who will be able to make an objective choice, says the author, Mr. Watt, who is himself chairman and chief executive of a public relations company.

until the same audiences until recognition of the company name flashes in the recipient's mind as a subconscious image. To achieve this, an industrial or commercial organisation needs to make co-ordinated use of Press, radio and television stories, of seminars and public appearances, of sponsorship, of by-lined articles, patronage and the membership of trade bodies, plus any other available channels of communication.

clear that there are some people who should avoid representing their organisations on television whenever possible—someone else should take on the job. The ones who are not good in a television studio invariably recognise the fact themselves but, on the other hand care is taken on the course not to demoralise them totally.

Students watch and listen to playback of their interviews and their performances are rigorously criticised. But Mr. Scott-Job claims that even those who are never going to be TV "naturals" leave the course feeling they have reached the point where they could cope adequately if they had to do so.

Managers on the other hand, often seem unwilling to act and speak as individuals. They prefer committee decisions. They tend to have little experience of going out and talking to people and I think this must be a criticism of U.K. management.

### on-starters

n elementary course of this frequently weeds out the tardiers in an obvious way," book says. "The chairman's prime who is determined to stay in the public eye a terrible shock when he is through an intensive cross-examination on the company's activities in simulated studio conditions and then sees the playback."

Watts goes on to point out that the regular exposure of a person to the outside world is still likely to produce a reaction from colleagues 100 miles away that brings out the excuses.

Mr. Scott-Job says that even when top industrialists do agree to appear on television they often make a hash of it because they have had no training or experience in that particular media. He explains that one of the commonest faults among raw interviewees is for them to come out with a string of jargonised gibberish that will send viewers rushing off to make the tea or switching over to the other channel.

WEST GERMAN companies cope with major industrial changes more easily than their British counterparts because of the co-operation they normally receive from statutory works councils. This is one of the chief findings of a comparative research project financed by the Anglo-German Foundation for the Study of Industrial Society.

The researchers made case studies of a number of British and German concerns which had successfully managed a large scale change—such as the closing down of a plant. Among the U.K. concerns which took part were the National Coal Board, Debenhams, Bowater, the Financial Times, Harris and Sheldon and British Steel.

Mr. Watts also points out that good public relations begins at home. He says that if the level of understanding and enthusiasm is high within a company then the chances are that every employee will become a "walking, talking active public relations officer."

Mr. Watts insists that public relations must be as much about "the message" as about the methods used to put it across. He believes it is better for managers to think about public relations early on in their decision-making process, than to make up their minds on a particular aspect of company affairs and then call in the public relations director to present their decision in the best possible light.

It was found that British management was generally reluctant to inform employees of plans for change at an early stage. And the case studies suggested that U.K. managers were so worried about union opposition that they often avoided change altogether.

The research report describes the British style of managing change as an "adversary" one. It notes that in the U.K. changes nearly always have to be operated through a single industrial relations channel—the trades unions. Yet it is also the unions which are responsible for collective bargaining and have the power to call strikes.

In Germany, on the other hand, plans for change are put through individual company works councils. These bodies, which are set up under German law, have no powers to call a strike and they do have a commitment to their business.

At the same time German management has a statutory duty to provide works councils with a certain amount of company information. As a result, despite the conflicts that do arise between German managements and works councils, plans for change can normally be worked out and agreed in a spirit of co-operation.

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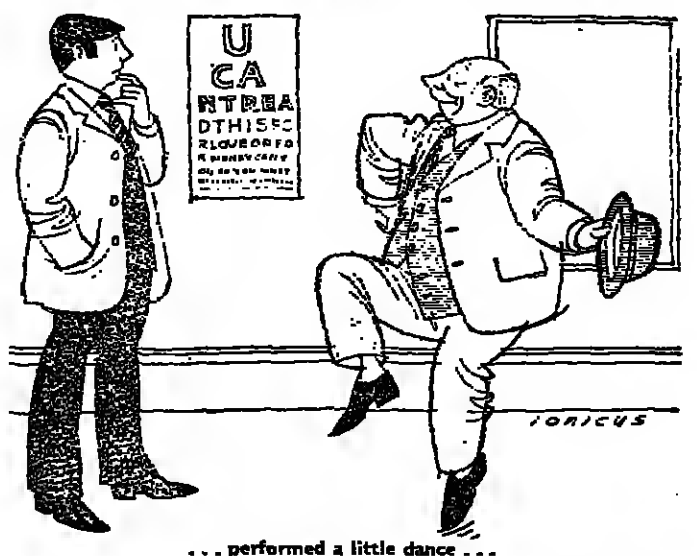
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### EXECUTIVE HEALTH

BY DR. DAVID CARRICK

## Blind spots on the road

A GENERAL practitioner of my acquaintance had a curious experience recently. Towards the end of a long and tiring evening surgery, an elderly man, having had a vigorous scuffle with the formidable receptionist, burst in and balled the doctor with delight.



Unaccustomed to exuberance, among the normal gathering of funeral valedictorians, my friend thought that he had a maniac on his hands, particularly when the houncy, chortling septuagenarian stated that he wasn't ill; had never felt better; and performed a little dance to prove the points. My friend decided to humour him and told him to sit down.

"Not necessary, Doctor," laughed the little man, knocking over an inspection lamp. "I'm only staying a second or two. Perhaps you don't remember me..." and he gave his name.

On referring to the file, the doctor recalled the man—a common happening for a doctor who may remember all a patient's diseases but can recall neither his name nor his face. Yes, he had seen the man once, but only for poor vision, for which he had referred him to an optician.

"So you've lost your glasses, I suppose," he said to the old man who was still blundering about.

"Alarming"

"No," he replied, "Never bothered with them. If you are able to read your notes, you will see that I was worried about failing my driving test—eight times up to that visit. You were so kind to me I just wanted you to be the first to know that I've passed it at last!"

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**Coping with industrial change**

WEST GERMAN companies cope with major industrial changes more easily than their British counterparts because of the co-operation they normally receive from statutory works councils. This is one of the chief findings of a comparative research project financed by the Anglo-German Foundation for the Study of Industrial Society.

The researchers made case studies of a number of British and German concerns which had successfully managed a large scale change—such as the closing down of a plant. Among the U.K. concerns which took part were the National Coal Board, Debenhams, Bowater, the Financial Times, Harris and Sheldon and British Steel. The case studies in Germany covered steel and mining companies, a motor manufacturer and a department store.

It was found that British management was generally reluctant to inform employees of plans for change at an early stage. And the case studies suggested that U.K. managers were so worried about union opposition that they often avoided change altogether.

The research report describes the British style of managing change as an "adversary" one. It notes that in the U.K. changes nearly always have to be operated through a single industrial relations channel—the trades unions. Yet it is also the unions which are responsible for collective bargaining and have the power to call strikes. The report says that all too often arrangements for uniting through industrial changes are looked on by the unions as yet another part of the collective bargaining process.

In Germany, on the other hand, plans for change are put through individual company works councils. These bodies, which are set up under German law, have no powers to call a strike and they do have a commitment to their business.

At the same time German management has a statutory duty to provide works councils with a certain amount of company information. As a result, despite the conflicts that do arise between German managements and works councils, plans for change can normally be worked out and agreed in a spirit of co-operation.

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Monday November 21 1977

## Sadat's call for peace

ANY ATTEMPT to evaluate President Sadat's visit to Israel must take account of three elements. First, there is the fact that, after so many years of war and hostility, an Arab leader has set foot on Israeli soil, and has been greeted there with all the marks of courtesy and respect. The second element consists of the speeches delivered yesterday in the Knesset by the Egyptian President and the Israeli Prime Minister. The third element is the fact that the two national leaders not merely met each other face to face, but had private discussions on the problem of the long-standing Middle East conflict—but of these nothing has so far emerged.

### Divisive

The visit itself represents a dramatic break not merely with the past but also with the wishes of Egypt's most important Arab allies, all of whom have in varying degrees condemned President Sadat's initiative. Yet while there can be no mistaking the historic nature of the first handshake between Begin and Sadat at Lod airport, and while the Middle East stalemate and the solidarity of the Arab nations have both been profoundly shaken, it is quite unclear what the consequences will be. If Syria and Saudi Arabia, in name but two of the most important of Egypt's allies, genuinely desire a Middle East settlement, can they now be persuaded by President Sadat that he has not in fact betrayed the Arab cause by going to Israel? Or will the shock of his visit prove so divisive as to make the Middle East situation more rather than less unstable?

The two speeches in the Knesset would not have been remarkable had they not been the centrepiece of an occasion broadcast live throughout the world, since neither leader said anything which departed in any radical way from their publicly known positions. On the contrary, both Mr. Menachem Begin and Mr. Anwar Sadat seemed to be going out of their way to protect themselves against their critics, by abandoning nothing of their previously stated demands for the ingredients of a settlement.

It is, indeed, in the light of President Sadat's speech, hard to see any justification for Syrian accusations of treachery on the substantive issues. He did not want another partial agreement with Israel, as in the Sinai, let alone a bilateral peace. Israel must withdraw

### Past wrongs

On balance, Mr. Begin was more unyielding, less generous. Whereas Mr. Sadat went out of his way to stress the legitimate rights of the state of Israel, and studiously avoided blame for the past, the Israeli Prime Minister emphasised the wrongs done to Israel in the past, including the sufferings of Jews in Europe for which the Arabs can scarcely be blamed—however important the implications.

Mr. Begin has, of course, long had the reputation of a hardliner, and he may have been anxious to limit the implications of yesterday's historic event until he should have had more time to assess its repercussions. So far, of his private conversations with President Sadat, nothing has emerged. Nothing indeed may emerge until it becomes clearer whether President Sadat can restore relations with Syria and Saudi Arabia, or whether Israel is facing a new era in which the Arab world is profoundly and perhaps permanently divided. Yet it is extremely doubtful whether Israel's interests would really be served by Arab divisions or by the ostracism of President Anwar Sadat.

## Policy vacuum in the U.S.

IN PURELY domestic terms, U.S. economic performance has been until recently the most successful in the developed world; but there has been remarkably little contribution from central government policy, especially since the accession of Mr. Carter to the Presidency. For a considerable period it has seemed that a steady monetary policy, supported by the action of more or less automatic fiscal stabilisers, was able to achieve more than the most purposive management and intervention. In recent months, however, monetary policy has been less successful, the dollar has drastically weakened, and the prospects for the world's largest economy have become forbiddingly clouded.

A weak dollar appears to have been an important cause of the recent problems of the Federal Reserve in controlling the growth of the money supply, and the consequent rise in interest rates has depressed the financial markets generally. This may in turn help to explain the most worrying feature of the domestic economy—the continuing reluctance of industry to undertake new investment, which has sharply disappointed the U.S. authorities. The large recovery in historic profits, and a growth rate which according to the most recent revisions has continued through the third quarter of 1977 at 5 per cent. annually, should by now be stimulating investment. It must also be remembered that a dollar devaluation produces much more favourable domestic effects for U.S. industry than a sterling devaluation does in the more open U.K. economy: the effective protection is the same, but the impact on domestic costs and prices is relatively very small.

The factor missing from this technical account of the U.S. economy is confidence. American businessmen and investors have not yet been conditioned to lose an undue amount of

### More orthodox

Mr. Carter must share the blame for the present uncertainty: his habit of talking largely and vaguely of his aspirations has certainly done some damage, both in confidence and to his relations with Congress. The resignation of Mr. Bert Lance has paradoxically made the Administration more orthodox in its efforts to assure business opinion, but the change does not seem to carry much conviction, partly because it is now very far from clear who is in charge of economic policy. The President's many advisers talk with a divided voice, as do advisers everywhere—Mr. Carter is a victim of the times as well as of his own inexperience.

What is needed now is not so much drama as clarity: an announcement of who is to succeed Dr. Burns, if there is to be a change; a tax package; some progress with the energy policy, whatever its faults; and, it is to be hoped, the emergence of one strong economic voice in the Administration. The cure-alls, if there are any, can come later.

# Why Britain still wants the IMF

By PETER RIDDELL, Economics Correspondent

THE TALKS starting in London to-day between Treasury officials and an International Monetary Fund inspection team are rather less of a formality than might appear, given the major improvement in the British financial position in the last year. There are certainly likely to be plaudits for Britain's success in fulfilling most of the conditions in last December's Letter of Intent. But there will probably be no shortage of reminders of the problems still to be resolved, and the Treasury may be concerned both about inflation prospects and monetary policy.

The atmosphere could hardly be more different from that of the difficult negotiations last November and early December which led to the agreement on a \$3.9bn. standby credit. The coinings and goings of ministers and officials between London and Washington, the secret visit to London of Dr. Johannes Witteveen, the Fund managing director, and the Cabinet debates lasting a total of 24 hours are all long past.

The Fund team of about half a dozen—again headed by a former Bank of England official, Mr. Alan Whitmore—is being greeted in Whitehall rather like an old friend who is as familiar with the detailed background and problems as the Treasury itself. For a start when the Fund economists look at the books—in fact pages of computer print-out embodying the latest forecasts—there is likely to be none of the disagreement about the outlook for the economy which took up so much time last year.

Moreover, few questions are likely to be raised when comparisons are made between the commitments made last December and the subsequent performance. The most important factor from the Fund's point of view is the current account of the balance of payments—in itself a crucial determinant of a country's ability to stand on its feet financially without further help. The turnaround here has been remarkable. Instead of the deficit of £1.5bn. expected in 1977, the outcome now looks like being a surplus of more than £250m.

An improvement in this area was seen as an essential precondition for sustainable growth and as part of the general stabilisation programme which also involved halting the growth of the public sector and taking monetary and incomes policy measures to check inflation. The two main indicators monitored here were the public sector borrowing requirement and domestic credit expansion, which is essentially the money supply adjusted for the balance of payments.

On both scores, Britain has been well within the Fund's ceilings—indeed almost embarrassingly so. The combination of public spending running at well under planned levels and buoyant revenue has meant that



Mr. Alan Whitmore, head of the IMF team for Britain.



Mr. Healey, Chancellor of the Exchequer (right), with Mr. Bill Kyrie, British representative at the IMF and World Bank in Washington.

decided against this option though it will not make further drawings beyond the \$1.9bn. received so far out of \$3.9bn. The fund would be grateful for early repayment of some of the British debts. It is rather short of resources at present in view of the delay in the establishment of the new Witteveen special facility. From the Fund's point of view the most useful money to receive back would be the first tranche of \$300m. drawn in early 1978 and there may be some discussion of that in the next fortnight.

### Financial health

All these factors have together restored Britain to financial health much earlier than expected, though at the cost of a very slow rate of economic growth. The financial improvement was recognised in the comments made during the Fund annual meeting in Washington in late September. This was seized upon by Dr. Witteveen who called for a greater contribution to the worldwide economic recovery from countries in Britain's position. He in effect endorsed the Government's plans for a phased programme of reduction during the next 18 months, which was started in the recent mini-budget.

In these circumstances there might appear to be a good case for breaking free from the fund and repaying the drawings made so far on last December's standby, which are equivalent to less than a tenth of the current reserves. The Government has

### Money supply problems

figures are open for discussion around 15 rather than 10 per cent in the forthcoming talks. But they may not be finalised in the next fortnight—an indication of the more relaxed attitude now compared with that of a year ago. Some officials want to wait until the uncertain earnings prospects are clarified.

### Money supply problems

There may be some difficulty about bringing the growth of money supply back down below 13 per cent by April and Mr. Denis Healey, the Chancellor, was noticeably cautious recently when he referred to keeping the growth "close to the preferred range." The implication is that the Treasury believes that keeping general control over the money supply is what matters, while it remains sceptical about the real importance of a possible slippage of a point or two by the end of 1977.

The present borrowing ceiling does not appear to be too restrictive, since the latest Treasury projection is £7bn. in 1978. Some City analysts regard this as on the high side and anyway it allows plenty of scope for further income tax cuts in the budget next spring. The domestic credit position is more complicated since the present ceiling looks more restrictive than it did last December in view of the more cautious view now being taken of the prospects for the current account next year.

### Money supply problems

This topic should not present any major problems, but the Fund team is likely to press the Treasury for clarification on the prospects for inflation and monetary growth. All that the Government can really do here is to point to the progress so far and state that in spite of the failure to reach a formal agreement with the TUC on pay, the 10 per cent earnings guidelines are being enforced. But there is an increasingly blurred line between basic wage deals, which should be in single figures, and the 10 per cent national earnings limit, which is effectively "down the norm." While there have been very few major public breaches of the policy so far, there are grey areas, for example, about self-financing productivity deals. So the policy still holds, though the earnings outcome for the year in July looks likely to be

## MEN AND MATTERS

### Millipedes and cabbage soup

Latest reports from Peking indicate that the Chinese authorities are having problems dealing with the aftermath of wage restraint. Millions of Chinese workers and peasants have just received their first pay rise for many years. The problem is that, thanks mainly to sabotage by the "gang of four" of course, many goods were already in short supply and the Government is hard pressed to find ways of ensuring that higher wages are not immediately cancelled out by higher prices.

### More orthodox

Mr. Carter must share the blame for the present uncertainty: his habit of talking largely and vaguely of his aspirations has certainly done some damage, both in confidence and to his relations with Congress. The resignation of Mr. Bert Lance has paradoxically made the Administration more orthodox in its efforts to assure business opinion, but the change does not seem to carry much conviction, partly because it is now very far from clear who is in charge of economic policy. The President's many advisers talk with a divided voice, as do advisers everywhere—Mr. Carter is a victim of the times as well as of his own inexperience.

What is needed now is not so much drama as clarity: an announcement of who is to succeed Dr. Burns, if there is to be a change; a tax package; some progress with the energy policy, whatever its faults; and, it is to be hoped, the emergence of one strong economic voice in the Administration. The cure-alls, if there are any, can come later.

### Millipedes and cabbage soup

The official line is that things will only improve if people take their pay rises as an incentive to work harder and produce more goods. The idea that it is not counter-revolutionary to seek higher living standards and the use of material incentives rather than revolutionary exhortation to achieve this are hallmarks of the new post-Mao regime.

### More orthodox

As an example of what can be achieved official propaganda quotes approvingly the example of the schoolchildren of Hubei province. Millipedes, an essential ingredient in traditional Chinese medicine, were apparently in short supply. Offered a few yuan per thousand millipedes local schoolchildren promptly went out and found 20 million. I wonder what they taste like with cabbage?

### Pasionaria Brown

Having heard Rosemary Brown in full spate introducing the emotionally charged closed shop debate at the Tory party conference last month I dubbed her La Pasionaria of Blackpool. It now turns out I was not alone in my judgment of this formidable, if physically tiny, lady. The Tories of Blackpool also look none of her performance and spread the word when they got home.

### Millipedes and cabbage soup

and relations or taking off in the countryside and buying goods directly. The official line is that things will only improve if people take their pay rises as an incentive to work harder and produce more goods. The idea that it is not counter-revolutionary to seek higher living standards and the use of material incentives rather than revolutionary exhortation to achieve this are hallmarks of the new post-Mao regime.

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### Hose power

Help may be at hand from an unexpected source for the intrepid band of "Green Goddesses" and their old fashioned hosepipes. A reader in France has just sent us news of a new process to increase the efficiency of firefighting, and other hoses, by reducing hydrodynamic friction.

### Precocious

Actor Gerald Harper, up in Manchester to open a refurbished Moss Bros. store, tells how on a previous visit he had presented prizes at a local girls' school. Tired of repeating "well done" to every prize winner he asked one girl what she was going to do when she left school. "Well I was thinking of going straight home," was the reply.

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# FINANCIAL TIMES SURVEY

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## Trudeau

### Light Corner

W. L. Luetkens

# Canada

Canada has been swept by economic storms and beset by separatist troubles in Quebec. But energy resources are a long-term asset and battle for national unity has only just been joined.

IT NEVER rains but it might have been served unless and if you're in Canada a residence was occupied). Now the whole thing can be done some time ago in the past into a blizzard. It does not seem to have happened during the year, both the Canadian Québécois separatists, not all of whom are the body politic whom have always acted as lawfully as the Parti Québécois in doing. It also recalls the manner in which security services elsewhere believe, not only in a James Bond thriller. But the Parti Québécois Government in Quebec which intends to take Province out of federation a bit too lightly, giving the opposition a strength of a referendum expected for 1979. Hardly the PQ in than the U.S. dollar went down to U.S. dollars 1.03; something like two runs later it is in region of U.S. cents 90. Economists agree that you can't really blame the PQ; the case that Mr. Pierre Elliott Trudeau, the Prime Minister, is of Canadian productivity wages.

Though these two blizzards have not been enough, the adian publication media and opposition in the Parliament at Ottawa have been hot pursuit of a number of law and order to count more in the mini-Watergate. That the Royal Canadian Mounted ment can be shown to have told line of fire. Whereas much anyone can grasp, the whole he detail is obscure, the Government has admitted that the unity Service of the Mountains been far from Mr. Trudeau's need letters (which is illegal), showed political mind when he broke into premises (which appointed a Royal Commission

to look into the whole matter. In Canada, as elsewhere, a Royal Commission grinds exceedingly fine—but also grinds slowly. Maybe it will not finish before the next election, which cannot be more than 12 to 18 months away, and maybe only seven. Unfortunately for Mr. Trudeau, however, the Quebec Government has also appointed an investigating commission, which may be less royal and also less slow. It could make an impact, especially upon French Québécois, before the referendum.

### Referendum

As things stand a referendum in which Québécois are asked whether they want to separate from Canada and form their own State would almost certainly go against the PQ. The latest of a plethora of polls—not all equally scientific—showed 68 per cent of the Québécois asked to be opposed to independence. Given the fact that almost one in five of the population of the Province are English speakers, it will take a great deal to wipe out that majority against secession.

But Mr. René Lévesque, the Quebec Prime Minister, and his chief strategist, Mr. Claude Morin, Minister of Intergovernmental Affairs, are too shrewd to walk into that trap.

Last November the PQ won the election, by soft-peddling the issue of independence. Now it has coined the term "sovereignty-in-association" which

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has no standing in international law, but is intended to convey the idea of an independent Quebec in the safety of economic association with the rest of Canada. To English Canada that means eating your cake and having it; but in Quebec things are different. In the recent poll only 15 per cent stood up for independence, but that number rose to 28 per cent if the rider was added that an independent Quebec would propose economic association.

It really is anybody's guess how the admittedly clouded economic prospects of Canada will affect that pattern. They could strengthen the case for independence; they could equally work in the opposite direction, given that Quebec on its own might do worse and would not share in the gas and oil, Canada's very real assets in the west and north. In any case, there does seem to be some evidence that the Québécois voters, while still loyal to the PQ, may be beginning to blame it for an unemployment ratio of about

10 per cent, which is some two points higher than the Canadian average. But on that point the polls are even less conclusive than usual.

The French Québécois are unlikely to accept the argument that Mr. Lévesque's men have flattered away a year bringing in legislation to make French the one official language of Quebec. But oddly enough one has heard of francophones who resent that part of the celebrated language law, Bill 101, which prevents all but the descendants of English speakers educated in English schools in Quebec from themselves attending English state schools. That restricts the freedom of choice of francophones, at least in theory, as much as that of immigrants from, say, Italy or Greece, and even of immigrants from English-speaking provinces in Canada.

The English schools system in Montreal (where the English-speaking population of Quebec is concentrated) has overtly or covertly ignored the law: children have been enrolled

against the provisions of Bill 101 on the grounds that it infringes rights long established in the Province. So far the Government has only withdrawn funding in respect of those children enrolled in this manner—something that the schools can probably put up with for some time. But Mrs. Joan Doherty, the formidable Chairman of the Protestant School Board of Montreal, which has taken the firmest position, might even sue for her money should that promise succeed.

There is, however, reason to doubt whether the educational clauses of Bill 101 are unconstitutional. There may be stronger grounds for doubting the validity of the clauses that limit the role of English in the law courts and in business—clauses that have accelerated the long-standing drift of English-speaking businesses away from Montreal. But Mr. Trudeau has decided not to appeal to the Supreme Court of Canada, let alone to use his powers to veto provincial legislation. There are tactical reasons for not doing so: if the complaints come from the public in the Quebec courts, the Quebec Government, provided it loses, might find itself in the embarrassing situation of having to appeal to the Supreme Court itself.

The language issue has stirred up some fairly basic instincts, but it also has at least stirred the political consciences of English Canada: the provincial premiers want to ensure that the 1m. French Canadians out-

side Quebec are given improved access to French schools. Given the high degree of local control over schooling it may take a long time until the results are seen.

As is generally the fate of those who are defending a position, Mr. Trudeau has to a great extent been reacting to the initiatives of the quicksilver Mr. Lévesque. For instance, Mr. Trudeau has proposed that Ottawa, too, should legislate to give itself power to hold referendums. The meaning is unclear: evidently a referendum could be used to enshrine a new compact between English and French if ever it is reached, or a settlement—such as Mr. Trudeau seems to have in mind—in which the ambitions of Quebec are satisfied by a greater degree of devolution of political power to all provinces. The shape of such a compact cannot be discerned as yet. It is, however, notable that the PQ Government has not refused to collaborate in the federal-provincial institutions where, for instance, revenues are shared out between the federal Government and the provinces.

tions where much good will and ingenuity would be required to avoid violence.

If one looks at Quebec and at the economic situation in the widest sense of that term it is very hard to avoid concluding that though the battle for national unity is wide open, Mr. Trudeau's original concept has failed. It was to make the Québécois feel at ease in confederation by making the administration of the whole country bilingual, and by nurturing a distinct Canadian identity that was different from and in a sense opposed to the American. But English Canada at large hated bilingualism, even though there never was any question of making ordinary citizens speak French against their will; even in Quebec Bill 101 rejects bilingualism, in its case in favour of French.

In the field of business, nationalism was tried, half-heartedly, by making direct foreign investment subject to screening. But the world of business looked upon that as another instance of Government meddling: where business is concerned, Canadians tend to model themselves on the U.S. pattern, even if they do not always succeed quite as well. When, almost three years ago, Mr. Trudeau suggested that the market economy might have failed, the outcry was general. Proposals for some sort of institutions to bring about a consensus between Government, business, and trade unions are in limbo.

Small wonder, then, that the long lead in the polls that Mr. Trudeau and the Liberal Party have been enjoying over the Progressive Conservative opposition and its leader, Mr. Joe Clark, may be diminishing. But it is there. The third national referendum to collaborate in the federal-provincial institutions where, for instance, revenues are shared out between the federal Government and the provinces.

### Restricted

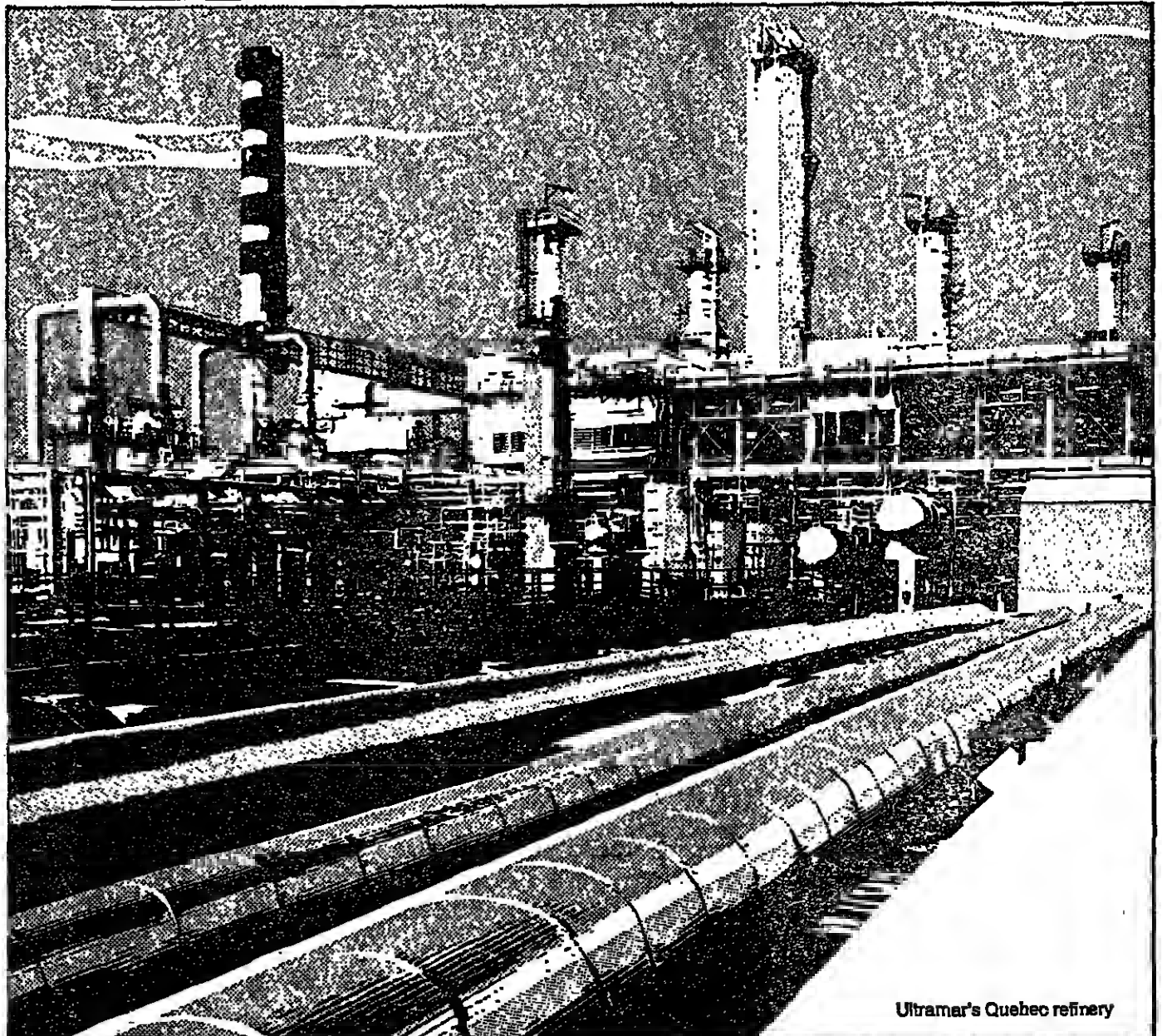
Purely in theory, a referendum restricted to one province or some part of it could be used in a situation where Quebec had voted for separation. Some regions near the Ontario border, but also western Montreal, would inevitably vote the other way. That would create situa-

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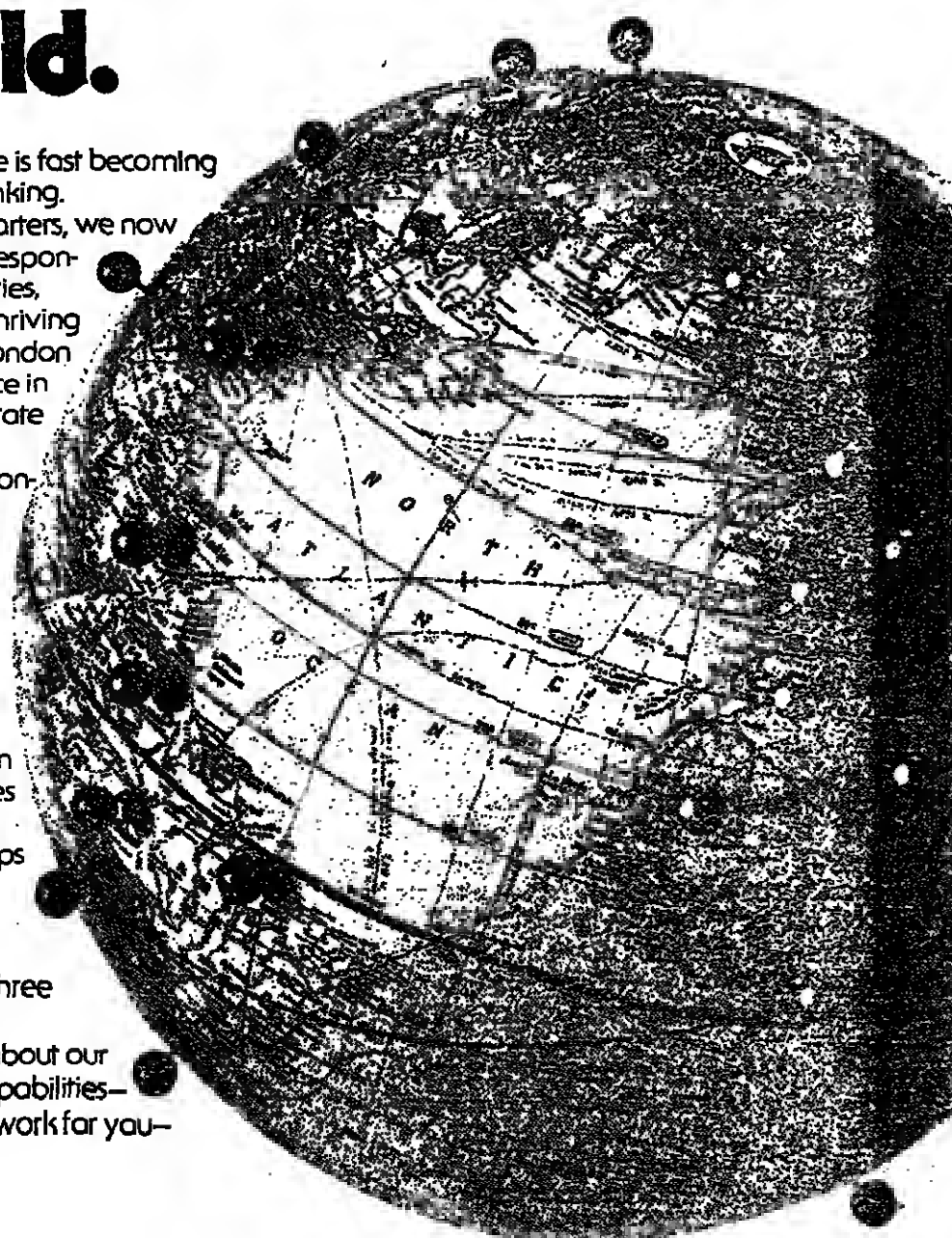
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## BANKING

## CANADA

# Slow progress on Bank Act revision

THE CANADIAN banking system will undergo some broad changes as a result of proposed revisions to the Bank Act scheduled to become law next year. Just when is still uncertain. The guessing is that it could be as early as March but as late as December—unless a dissolution of Parliament delays even further the revision of the Bank Act that was due in theory last year.

The proposed revisions have met with considerable opposition from the provincial Finance Ministers and the near-banks, such as the trust companies, credit unions and caisses populaires. Of particular concern to them is the issue of jurisdiction raised by the Federal Government's recommendations.

Trust companies are largely provincially incorporated and regulated and the credit unions and caisses populaires are entirely under the provincial authority. However, the proposed changes would require a new division of responsibilities between the different levels of government.

It is proposed that the near-banks be permitted to engage in the same activities as banks only if they acquire bank status, a procedure that would bring them under federal authority. In addition, the Government intends to open the cheque clearing systems to the near-banks. At present chartered banks are the only members of the system and the near-banks must clear their cheques through them.

To belong to this system the near-banks would have to maintain non-interest bearing reserves with the Bank of Canada, as the chartered banks do now. Objecting to the prospect of increased Federal control over their activities, the near-banks have suggested that their reserves be deposited with financial institutions other than the Bank of Canada. The caisses populaires have been particularly critical of the attempt to blur the distinction between themselves and the banks. These arguments are all in and are being assessed by the Department of Finance in Ottawa.

The Government's view is that such changes would make the Canadian banking system more competitive and therefore give consumers a better deal. But the banks, trust companies, credit unions and caisses populaires are already competitive. The battle for the consumer loan dollar is warming up and contrary to traditional practices several trust companies and credit unions are meeting the chartered banks head on.

Besides lowering their consumer loan rates, some are offering free gifts and other incentives to attract customers to their tellers' windows. According to both the bank and trust companies Canadians are being attracted by the giveaways and premiums.

### Spread

But the trust companies have a long way to go before they reach the banks' share of consumer credit. Last year, they supplied less than 2 per cent of personal loans taken by Canadians while the chartered banks supplied 59 per cent. The other 39 per cent is spread among the credit unions, sales finance companies and credit operations conducted by most of the large companies that deal in consumer products.

The most aggressive competition for the banks from credit unions is taking place in British Columbia, where they are going after savings accounts in a way that is shaking up the banks. Credit unions elsewhere in Canada do likewise, many traditional credit and savings patterns could be in for substantial rearrangement.

The push by the trust companies and the credit unions suggests that they are trying to build the broadest possible depositor base before the Bank Act is finally amended. Not so, they say. They say they are building a capital base to meet the credit needs that are expected to grow substantially through the 1980s.

Probably even greater competition for the banks could come from the Government's proposal to allow many foreign banks now operating indirectly in Canada through subsidiary financial corporations to become chartered banks in Canada, but with important limitations to

size. In return, the federal Government would expect other countries to open the door to Canadian banks seeking to operate more fully abroad.

Those banks in favour of recognising foreign banks in Canada argue that reciprocity on Canada's part is necessary to provide new opportunities for Canadian banks abroad. Those opposed fear that foreign banks might take the cream of commercial lending business in Canada.

While the foreign banks will probably be allowed to establish operations in Canada, the Government's objective is to keep the banking system predominantly Canadian. Thus each foreign bank would be limited to five branches and it would be subject to an asset ceiling of \$500m. In addition, foreign banks as a whole would be limited to no more than 15 per cent of the total commercial lending in Canada.

The foreign banks which want to set up in Canada have urged that the proposed ceiling be scrapped and that foreign participation in the Canadian banking system be limited solely on the basis of total share of commercial loans.

Canadian banks already are big operators abroad. Their foreign currency assets now account for about 30 per cent of total Canadian bank assets, compared with less than 20 per cent ten years ago. During the last six of those ten years the banks have grown at a greater rate than in any equivalent previous period. Their collective compounded annual growth rates in assets and profits have been 17.9 per cent and 18.5 per cent respectively.

This excellent performance, however, was largely the result of inflationary conditions brought about through expansionary monetary and fiscal policy on the domestic front, rapid growth in the international markets and significant reduction in bank liquidity.

Since these conditions are thought unlikely to continue over the next several years, expansion at a substantially slower rate is expected. The growth in Canadian banks

foreign assets reflects in measure greater emphasis on wholesale banking. Much of the activity has been in the money markets of New York and London but recent Canadian banks have participated in the thriving markets of Frankfurt and Paris.

As to what stage, if Canadian banks will slow expansion abroad, among bankers is divided. Consider that world financial trade is so extensive it will be difficult to see limit growth in foreign operations. Others, although they stipulate to go, think the growth of international banking cannot be sustained.

### Substantial

The chartered banks no means the only participants in international Canadian life assurance companies, also have substantial interests abroad and smaller scale so have the companies. About 26 per cent of the life insurance's Canadian life offices is more than 2m foreign about 20 countries. That sent a premium last year, out of the total of received by Canadian companies last year.

Perhaps the biggest challenge to be faced by the trust companies and insurance companies during the next years will be with the Canadian Labour Campaign to organise the following a decision of Canada Labour Relations that opened the door to organisation among the 140,000 bank employees.

The Board ruled single bank branch is at private bargaining unit, arguments by the industry that certification for a single branch create chaos and be on the public interest. The Labour Relations Board made a similar ruling in the case of a trust company.

James  
Toronto Correspondent

## DEFENCE

# A spending spree

THE CANADIAN aviation industry, with its two major airframe companies now owned by the federal Government, is expected to become a major beneficiary under the Government's planned increase of spending to re-equip the Canadian armed forces.

The Government has authorised spending increases of 12 per cent a year in real terms up to 1981 for the acquisition of new military aircraft, naval ships, tanks, armoured personnel carriers and the replacement of the Pinetree radar early warning line for North American defence.

These are the major programmes, with the ship project alone calling for the replacement of about 20 destroyer-type vessels and now coming under review of the federal Cabinet.

But it is in the field of aviation that the first of these acquisitions have been made and are to be made, and which promise well into the 1980s because of the industrial offset conditions attached to each contract.

Orders were placed in July for 18 maritime surveillance aircraft, the CP-140 Aurora, which is the Canadian version of the Lockheed P-3C now in service with the U.S. Navy. The cost is almost \$1bn.

Since then, the Department of National Defense has issued a request for proposals for a new fighter aircraft to six competing international aviation firms, four in the United States and two in Europe, for an eventual order of between 125-150 planes at an estimated cost of \$2.3bn.

The deadline for the return of the proposals is February 1, 1978, to be followed by an evaluation period, with a recommendation to be made to the Government on the winning aircraft by mid-1978.

The competing entrants in the race, the largest military procurement programme in the country's history, are the Grumman F-14, McDonnell Douglas F-15, General Dynamics F-16, McDonnell Douglas-Northrop F-18, Panavia Tornado and the Breguet Mirage 2000.

As in the case of the Aurora, so with the new fighter, Canada will insist on compensating industrial offset work. Before placing the order for the

Although the Department of National Defense has stated that first priority will be given to the aircraft capable of meeting the country's North American and NATO commitments, the offset offered will be a major determinant in the awarding of the fighter contract. It is also possible that two aircraft will be purchased—one for North American air defence, and one for the NATO role.

Even before the official bidding on the fighter, Grumman stated it will place 80 per cent of the contract in offset work in Canada, including Canadian participation in Grumman projects unrelated to defence.

McDonnell Douglas, with its subsidiary Douglas Aircraft of Canada already building DC-10 and DC-8 wings, has stated it would even place final assembly work in Canada.

General Dynamics has been silent about what work it might direct to Canadian companies, but it was the owner of Canada before its purchase by the federal Government. With this kind of leverage from the U.S. aircraft firms, the competing European companies will be hard-pressed.

It should be noted, however, that this future military for the Canadian aviation, will be in addition to developing commercial that occurred after the recent takeover of Canadian General Dynamics and the land aircraft of Canada the Hawker Siddeley G Britain, each for about \$1.5bn.

Both companies have commercial programmes in air with its wide Challenger business jet Havilland with the DEC STOL airliner and the Twin Otter.

Since the announcement, August, 1976, that it was ahead, with Government port with the production Challenger, Canada's 108 of these aircraft supercritical wing and than 4,000 mile range.

The sale of a further craft is now under negotiation. The first flight of the three prototype Challenger will be made in of next year with delivery the first production aircraft a customer scheduled in third quarter of 1978.

This in itself is a major production programme, involving the Aurora work.

CONTINUED ON NEXT PAGE

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THE ECONOMY

# No short-term cures

GROWTH of the Canadian economy will accelerate in 1977-78—but not enough to much of an impact upon employment ratios which are than at any time since 1975. The rate of inflation has come down, perhaps to as low as 6 or 7 per cent—but enough to restore the competitiveness of Canadian manufacturing industry.

It is just about sums up the dictory and rather y assessments of the business outlook economists. From business opinions can be heard are a good deal less flat. And if one goes beyond routine cyclical forecast he question of long-range sets, extremely gloomy indeed are forthcoming the structural weaknesses of economy and especially criticism is justified, but cannot help feeling that the sion it leaves overall is erated.

mediate Science Council, a nment-supported body, one as far as to speculate Canada might be in a prof. "de-industrialisation" that was not intended to be a progression into a advanced form of society. Economic Council of Canada another Government- sored body of economists, esmen and others (shorn our representatives who ed because they dis- veyed of wage controls), has orward the following much d judgment: "... the ok for the next five s... is for relatively modest th, persistent inflation, unemployment, and very current account deficits. tables in the Council's tenth Annual Review ast annual growth averag- from 4.1 to 4.8 per cent ch, after all, is growth), nding upon what assump- are made about fiscal and ary policy; and current unt deficits of around \$6bn. ar in current dollars.

the latter forecast may be of immediate interest to the Je world, since—as in the -Canada will look to gn borrowing to balance its al payments, and to re its many huge develop- schemes, largely in the y sector. It was foreign wing that held the an dollar high last year, peak rate of around 03—not the current nt, which chalked up a t of \$4.2bn. When, for al reasons, principally ncertainties caused by the 2 of the Parti Québécois Government in Quebec also the decision of uilian provincial authorities uce spending as an anti- onary measure, Canada re- its foreign borrowing farther since it has clung to a year, the dollar slid down ewhere near U.S. cents

restraint on the part of rovinces is not going to forever; Quebec, for in- , will need \$2bn. a year. g in 1978, for the James ydroelectric development and is at best going to get

	1975	1976	1977
	\$m.	\$m.	\$m.
Merchandise trade	-534	1089	2900
Services	-4635	-3798	-7700
(whereof interest and dividends)	(-1918)	(-2491)	(-3500)
Transfers	390	522	500
Current account	-4779	-4187	-4300
Net long-term capital flows	4144	7475	3000
Basic balance	-635	3288	-1300
Net short-term capital flows	231	-2766	-200
Change in reserves	-404	522	-1500

Source: Bank of Montreal

Area	3.9m. sq. miles
Population	23.1m.
GNP	\$184bn.
Per capita	\$7,973
Trade (1976)	
Imports	\$40.1bn.
Exports	\$39.7bn.
Imports from U.K.	\$628m.
Exports to U.K.	\$1.16bn.

Currency: Canadian dollar  
\$1 = Can.\$0.22

ness of economic links across the U.S.-Canadian border. The only safe forecast is that the rate will remain volatile. The Economic Council worked with an assumed average exchange rate over the next five years of U.S. cents 96 at most and cents 98 at least, depending upon certain assumptions about policy. That may not be of much help in the markets but does at least attempt to define the area of volatility.

It is implicit in the conclusions of the Economic Council that the depreciation of the Canadian dollar by 13 per cent. in the last year has not really restored the competitiveness of Canadian manufacturers and wages to par with those in the U.S. Though the productivity gap has been narrowed, the wage gap has been reversed, partly because U.S. industry has been able to fall back upon non-union labour in the southern states. So the result, even after the depreciation, is that Canadian unit costs must be higher.

Problem That is clearly reflected in a deficit this year of around \$10bn. in Canadian trade with industrial end products. It will not do, of course, to blame it all on wages. Apart from certain geographical difficulties such as the sheer size of the country and the freezing winters, the Canadian market is too small for the economies of scale that modern industry wants.

That consideration has led many economists to toy with the idea of free or at any rate of freer trade with the U.S. The problem there, however, is that it would spell tremendous difficulties in Quebec and Ontario, the manufacturing base of Canada. The process of letting the uncompetitive die and transferring resources into other sectors would be painful in the extreme, and politically suicidal in Quebec.

Advocates of freer trade can point to the motor industry, which working within a sectoral U.S.-Canadian free trade agreement is more productive north of the border than south. But the evidence is contradictory, not least because the Canadian factories are purely branch plants of the U.S. concerns.

There are other areas where, without benefit of trading agreements, Canada has done well, including its own R and D work, for instance in telecommunications. Canadians also tend to be efficient with their natural resources and raw materials, and it is here that some economists see a brighter industrial future. But none of this—not even farming the prairies—is labour intensive and will not therefore help greatly with unemployment.

It is therefore important to know that the Canadian unemployment figures almost certainly exaggerate the evil. As the Economic Council points

out, when the unemployment ratio climbed to 7.1 per cent. in 1964, six out of ten unemployed were men over 24—the so-called breadwinners. Now that proportion has fallen to three out of ten. Moreover, the Canadian method of establishing unemployment levels by sampling has a built-in tendency to exaggerate by European standards. It is significant that the Economic Council now believes that there are other than conjunctural reasons why the target of 4.5 per cent. unemployment which it once fixed may have been unrealistic.

One point deserves mention in this context. Despite high unemployment, the Canadian economy has been creating new jobs year after year: employment is expected to grow by 1.5 per cent. this year, following upon increases of 4.4 per cent. in 1974, 1.9 per cent. in 1975, and 2.3 per cent. in 1976. But respectable though that record is, it was insufficient to mop up increases of the population of working age by between 2.2 and 2.8 per cent. That is now expected to level off, offering a certain amount of relief, but also making growth increasingly dependent upon improved productivity.

Returning to the more immediate prospects, the phasing out of wage and profit controls, which were imposed two years ago, will begin on April 14. By the third quarter of 1978 a number of trade unions will be free to press their claims. Some whoopie are in prospect, above all from the public service sector. But the weakness of the economic recovery may well

prevent a wage explosion. For the current phase the wage guideline has been reduced from 8 per cent. to 6 per cent. without a protest from the trade unions.

Even when they were first imposed the main target of controls was really the public service sector. If it should get out of hand, it will be extremely difficult to accomplish that transfer of resources from the public to the private sector which Mr. Jean Chrétien, the Minister of Finance, was aiming at with tax cuts announced in October. It is precisely such a transfer on a larger and more permanent basis that the Economic Council has proposed to help to cope with the structural problems.

Swing Of course, there is no reason to be sure that it would be enough to help along what really is happening in Canada: a swing from one kind to another kind of resource-based economy. Wheat remains a winner, but in a transformed world economy pulp, paper, and non-ferrous metals may be going through more than a cyclical setback. There is something to put in their place in the form of energy—oil, gas, waterpower. There is a long standing resistance to exporting energy, but even exported in controlled quantities—or merely as import substitutes—its possession is a tremendous asset to any economy in the present world environment.

W. L. Luetkens

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	Direct investment	Other including portfolio
1950	3.0	2.3
1960	10.4	7.6
1970	20.2	15.0
1975	29.9	21.1
1976	32.5	28.0

Source: Economic Council of Canada

### FENCE CONTINUED FROM PREVIOUS PAGE

ed by Canadair as well as work on the new fighter four may also come the com- way.

adair is also continuing on on its CL-215 water on an aircraft used to fight fires, of which 50 have sold, and expects to main- production of the amphi- aircraft in the years

dition, there is continu- roduction of the military surveillance system, the sold to West Germany, in and Italy, the CL-289, a range version of the and the new develop- of the CL-227, which can over a target and provide me surveillance.

while, de Havilland is ing to see movement of HC-7 STOL airliner, for it now has five firm and ten options. Green- recently placed an for one with one optio, air has purchased two options on three, Rocky ain Airlines has pur- one with options no two Viderec Airlines has pur-

chased one with options on helicopter simulators for delivery in mid-1979.

In the pure aerospace field Spar Aerospace is the leading Canadian company and is building the remote manipulator system arm for the U.S. space shuttle programme. The company has recently received a \$21m. Canadian government contract to continue work on the RMS system in which highly sophisticated gearboxes act as shoulder, elbow and wrist joints in moving a 50 feet mechanical arm.

Spar has also long been involved in the development of remote beat-sensing technology under US and Canadian government contracts for the design, and production of an infra-red passive acquisition system for military use.

The units have been tested extensively by the Canadian armed forces and the U.S. navy, and the company is now working on advanced versions of its infra-red surveillance equipment for shipborne applications by U.S., Canadian and other naval forces.

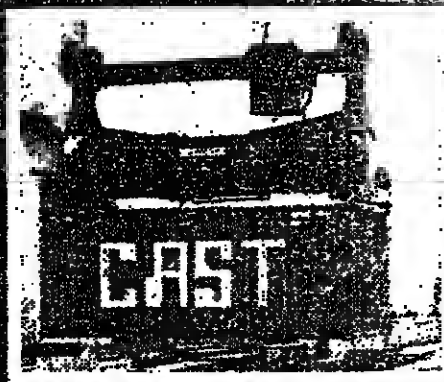
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# The dollar drain



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A LEMMING-LIKE compulsion among Canadians to travel abroad is building up to a \$2bn. tourism deficit for Canada this year. In all but two years since 1951 Canadians have spent more in other lands than foreign visitors have spent in Canada. The drain has quadrupled in the past two years — to the point where the 1977 imbalance could be about one-quarter of Canada's entire foreign exchange deficit.

The Federal Government is scratching frantically for means to reverse the trend, for ways to coax Canadians to stay at home and travel round their own country. Proposals mooted include cuts in petrol taxes, making part of holiday expenses in Canada tax-deductible, and allowing cheap overnight and charter air travel within Canada. In extreme circumstances there might even be restrictions (so far unspecified) placed on Canadians wanting to travel abroad.

In the meantime Canadians continue to trapse in growing number to distant destinations — to Britain, the Continent and all parts of the U.S. — November to April brings annually the great hebra to the warmth of Florida, Hawaii, and other sun-kissed States, as well as Mexico, Bahamas, and the isles of the Caribbean.

Canadians spent \$3.1bn. on holiday travel in 1976, an increase of 9 per cent over the preceding year. Income from visitors to Canada, by far the greater number of them Americans, was \$1.9bn., leaving Canada with an adverse balance of \$1.2bn.

Spending versus tourist income for the first six months of 1977 already shows a loss for Canada of \$1.3bn. The second half of the year, even though it contains the usual peak tourist months of July and August in Canada, is not expected to brighten the picture. A final deficit of \$1.7bn. to \$2bn. is expected.

The tourist year 1976, in spite of ending in the red, did bring gains in the number of foreign visitors to Canada. Americans were up 6.7 per cent, Britons 6 per cent, Germans 24 per cent, French 27 per cent, Japanese 13 per cent, Austrians 13 per cent, Mexicans, however, were down 1 per cent. Part of the upswing can be attributed to the Olympic Games in Montreal.

A committee composed of Canadian travel industry executives is seeking solutions to the dollar drain. In a brief presented recently to Industry, Trade and Commerce Minister Jack Horner the committee stated that tourists — foreign and domestic — find Canada too expensive, and the country is on the verge of pricing itself out of competition with other tourist destinations.

The brief makes the point that a visitor to Canada can expect to pay 15 to 20 per cent more for goods and services than in the U.S.

Tourists motoring in Canada find petrol to be about 10 cents a gallon more than in the U.S. Even so, at 85 to 95 cents a gallon at pumps in the populous regions of Canada, petrol remains cheaper than in Britain and the Continent.

Castling worried eyes at the mounting travel deficit, Finance Minister Jean Chrétien recently urged Canadians to stay at home this winter and ski instead of heading south for the sun. It is unlikely, however, that any sense of patriotic duty will be strong enough to keep a significant number of Canadians — and their politicians — at home romping in snowdrifts instead of sand dunes.

This is especially so when almost coincident with Mr. Chrétien's appeal, new low air fares were being widely advertised; bargains which offer return flights between Toronto, 1976 and Florida for \$99, or California for \$199. Yet to fly within Canada over roughly similar distances costs \$256 (Toronto-Edmonton, Toronto-Vancouver, Toronto-Nassau, holidays) for the industry's ingot is shipped to export markets, mainly the U.S.

The new rate is indexed to the heavy industrial rate of Hydro Quebec, the provincial power utility. Both on the Saguenay and at Kitimat, Alcan has sufficient hydro deep water access for raw power resources in reserve to take care of primary smelting for at least the next ten years. If it decided to add more than about 30,000 tons at average cost is usually estimated at between 0.2 and 0.3 cents per kWh, which is becoming more and more favourable by world standards.

Alcan has renegotiated its water tax rates with the Quebec government, and it will be paying several million dollars a year more. The new rate is indexed to the heavy industrial rate of Hydro Quebec, the provincial power utility. Both on the Saguenay and at Kitimat, Alcan has sufficient hydro deep water access for raw power resources in reserve to take care of primary smelting for at least the next ten years. If it decided to add more than about 30,000 tons at average cost is usually estimated at between 0.2 and 0.3 cents per kWh, which is becoming more and more favourable by world standards.

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- Chrysler Credit Canada Limited
- Cominco Limited
- Crown Trust Company
- The Consumers Gas Company
- Dominion Foundries and Steel Limited
- Dominion Stores Limited
- The Edmonton Centre Limited

- Ford Motor Credit Company of Canada Limited
- General Motors Acceptance Corporation of Canada, Limited
- Gulf Oil Canada Limited
- Hudson's Bay Company Acceptance Limited
- Hudson's Bay Company Properties Limited
- Inland Natural Gas Company Limited
- International Harvester Credit Corporation of Canada, Limited
- Kinross Mortgage Corporation
- Laidlaw Transportation Limited
- Massey-Ferguson Limited
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- Saskatchewan Wheat Pool
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While the North American producer price has gone from U.S.48 cents to 53 cents per pound of ingot in about a year, there is now some inventory building and some price discounting.

The Canadian industry had expected growth in demand of 7-10 per cent in 1977, based mainly on strong U.S. economic recovery. Now this forecast has been cut back to around 5 per cent, and further growth of 5 per cent is predicted for 1978.

A year ago, Alcan Aluminium, by far the largest primary producer and fabricator, was just re-starting its Quebec potlines after a bitter strike lasting nearly six months. The strike at Kitimat, in northern British Columbia, had been settled swiftly, but the smaller Shawinigan smelter in Quebec remained on strike until February this year.

The new Quebec contracts have 18 months to run and the Kitimat contract about two years. It took some time to get the Quebec smelting system back into full operation, but Alcan's labour relations are now much improved.

The company has gone ahead with the \$200m. first-phase Grande Baie expansion (63,000 short tons) on the Saguenay. It has started up a new cable plant at Quebec City to make transmission cable for the James Bay hydro project, and is taking the next steps in the long-term expansion of its worldwide business.

Alcan will shortly confirm the go-ahead on the alumina project in Ireland. This is geared to the European smelting system, and the capital cost is now estimated at around \$500m.

There is a strong possibility that the U.S. Reynolds Metals group will expand its 150,000 tons smelter at Bala Coneywell on the St. Lawrence North Shore 500 miles northeast of Montreal. The company has recently added to its fabricating capacity at Trois Rivières. The political situation in Canada and the future of Quebec could affect the timing.

Both companies are large factors in the fabricated products end of the industry in Canada, with operations from coast to coast. Generally the Canadian market for aluminum products, from transportation and construction goods to consumer items, has been growing in line with GNP. Roughly half

the industry's ingot is shipped to export markets, mainly the U.S.

The key to Canada's aluminum industry is still relatively cheap sources of energy and deep water access for raw materials. Alcan has 3,500MW of captive power in the Saguenay region and in Northern British Columbia. Its average cost is usually estimated at between 0.2 and 0.3 cents per kWh, which is becoming more and more favourable by world standards.

Alcan has renegotiated its water tax rates with the Quebec government, and it will be paying several million dollars a year more. The new rate is indexed to the heavy industrial rate of Hydro Quebec, the provincial power utility. Both on the Saguenay and at Kitimat, Alcan has sufficient hydro deep water access for raw power resources in reserve to take care of primary smelting for at least the next ten years. If it decided to add more than about 30,000 tons at average cost is usually estimated at between 0.2 and 0.3 cents per kWh, which is becoming more and more favourable by world standards.

Alcan does not and will not operate the world's most advanced casting systems, including modern rod mill main Canadian centre is at Kingston where it has 150,000 cold rolling capacity. The Canadian

### ALUMINIUM

## Lower rate of growth

expansion and moderate programme for the whole may smelting system Arvida plant is still the largest smelting centre in Canada. Alcan does not and will not operate the world's most advanced casting systems, including modern rod mill main Canadian centre is at Kingston where it has 150,000 cold rolling capacity. The Canadian

CONTINUED ON NEXT PAGE



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# Signs of reviving optimism

THE ENERGY switchback is on the way up in Canada. Muted optimism is spreading once again about the outlook in general and for oil and gas in particular, alleviating the deep gloom that resulted from the realization more than two years ago that Canada would become a net importer of energy.

That realization was an important contributor to the gathering scepticism with which Canadians have been viewing their economic prospects as a whole. Improved sentiment about the energy outlook could therefore have an important psychological impact in its turn.

What are the reasons for believing that the energy outlook is better than has been supposed for some time? They can be summarised as follows. New oil finds have been made in Alberta which, together with finds of gas there, have brought exploration activity to a peak in western Canada, the centre of the industry so far; gas has been found in the Beaufort Sea off the coast between the Mackenzie Delta and the Alaskan border; the Syncrude plant for extracting oil from the Athabaska tar sands will be coming on stream next year with an initial capacity of 82,500 barrels a day; and the day in the early 1980s is approaching when the gigantic James Bay hydro-electric scheme will be producing power instead of merely swallowing \$2bn. a year.

None of this is especially new, or where it is, as in the case of the Alberta oil find or the gas in the Beaufort Sea, the scale of the find is uncertain at best. But what it all really adds up to is a reminder that unlike almost every other highly developed economy, Canada does have energy resources that are going to last well into the 20th-century oil.

True, they will not make Canada self-sufficient. They are also expensive. So, by the standards of the day, was Albertan oil when it was found more than 30 years ago; now it is perfectly competitive.

Syncrude at one time was expected to be competitive given an oil price of \$11. The world price in the meantime has gone up to \$13.50. Cost overruns probably mean that to break even Syncrude would need a bit more. But the margin may be less than 12 per cent, or so.

The oil strike in Alberta was made by Chevron in the Pemina area, west of Edmonton. Other companies have found oil there since. It is described as the first major discovery in the Canadian West since 1967. The real significance is that the oil is in the Devonian, a geological stratum from which Albertan oil has so far come.

There is therefore a hope that oil exists in quantity below the present fields, though at the moment everyone is very careful in assessing prospects. There is certainly no guarantee that the conventional oil industry (as opposed to the extraction of so-called synthetic oil from the tar sands) has received a new lease on life in Alberta.

The fact that additions to reserves of natural gas actually exceeded extraction from the western fields in 1976, and that new small pools are continuing to come on stream, does not in fact greatly alter the long-term outlook. The gas was known to be there, but the fact also is that Canada has run into a medium-term surplus which is available at a moment when it is most welcome for reasons of external payments.

It has been Ottawa's policy to phase out oil exports over the next few years and also to run down exports of gas to the U.S., though to a lesser degree. The latter process may now be arrested for some time to come.

The gas discovery in the Beaufort Sea was made by Dome Petroleum, and probably not even the company knows how big it is; exploration has been suspended for the winter. Rumours thrive in such situations, and it remains to be seen whether the find really is as big as some of the rumours would have one believe. In any case, it will be well into the 1980s before the gas, if enough is there, can be brought to market (or be economic).

required technology has not yet been fully proved. Nor is it certain that sufficient gas will be found; so far 13,000bn. cubic feet have been proved near Melville Island. Drilling there is done from ice floes during the winter when the ice is 6-7 feet thick.

First you bore a hole into the floor, allowing water to gush up from the surface of the ice until it reaches a thickness equivalent to the height of a house, giving sufficient strength to carry the equipment. To add to the difficulties, much of the work has to be done at a time when the darkness of an Arctic night is almost unrelieved.

As an interim measure, or may be an alternative if reserves do not justify a pipeline, an application is expected to go in next year to build a gas liquefaction plant on Melville Island in order to ship gas by LNG tanker to a re-gasification plant to be built either in Quebec or one of the Maritime provinces.

That proposal could mesh in before all the answers are found, but need not do so — with a Tenneco proposal to re-gasify Algerian LNG in a plant to be built at Saint John in New Brunswick. But the Tenneco proposal is one to supply U.S. markets, so that it might not be readily adaptable to Canadian needs.

Little has been heard of late of the Canadian East Coast where, off Labrador, at least one promising gas strike has been made. Work was held up because of a dispute between Ottawa and Newfoundland about the offshore rights. Although it is still unresolved, the oil companies seem to be more confident that it will end satisfactorily, and drilling may resume next year.

The technological problems off Labrador are greater even than those in the Arctic. One though they are dealing with seabed drift southwards in spring and summer, bumping along the rocky bottom and gouging great

scars in it. Ten years may go by long for a first application to build an upgrading plant to turn into synthetic crude the bitumen found in the Lloydminster area.

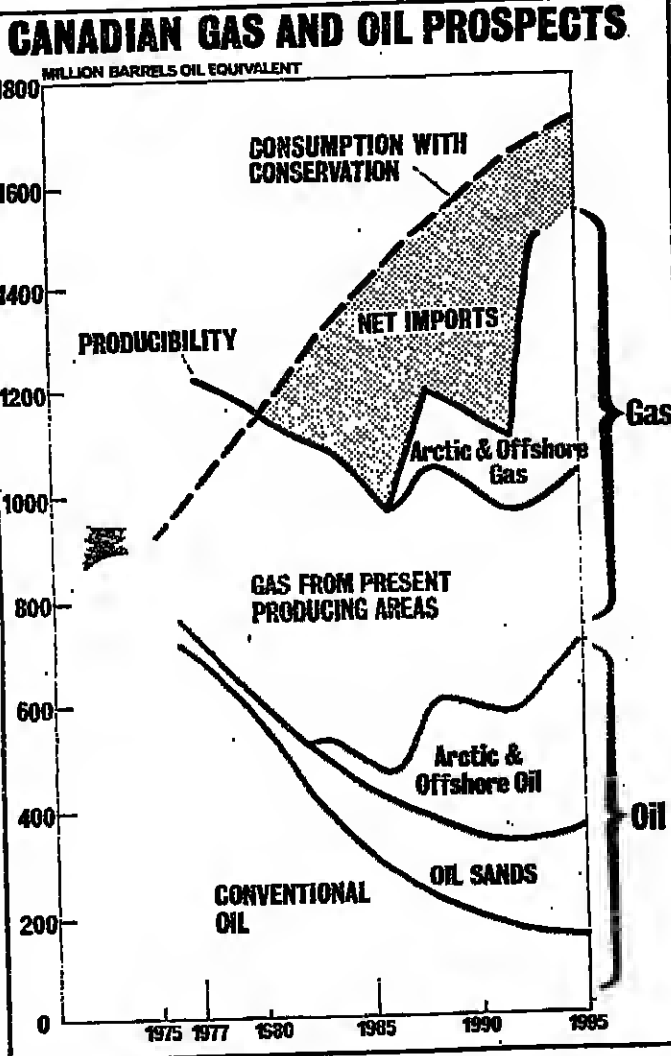
Naturally the costs will be high as in all the other non-conventional areas including the Besides, Imperial Oil (Exxon) has applied for a permit for a plant to extract 100,000-125,000 barrels a day from the heavy oil deposits at Cold Lake. The cost is estimated at, say, \$3bn. 7 per cent annually to keep the plant would scale up an with demand, but reckons 6 per cent is all it can manage because the provincial government has rationed borrowings.

Hence in Ontario — and where, too — you will see notices asking people to energy: switch off the light of the TV, use the stairs impact is negligible. It ceases not reached the chambermaid who makes rooms in the mornings, lo pulls down the blind switches on all the light welcomes the guest when returns at night.

generating capacity by the same amount and in much the same time, with than two-thirds of the capacities to be nuclear.

Even so, Ontario faces danger of brownouts and in disconnections in a few years. The utility estimates it must expand its capacity by 1,000 Mw by 1985. It is now at 6,000 Mw. The province has rationed borrowings.

Officials estimate that during the next 15 years energy projects will gobble up \$180bn. (without allowing for escalation another \$100bn. more.) That on top of that there are the massive oil deposits of the giant gas and oil schemes reviewed in this article, and besides James Bay. That hydro electric showpiece is to bring 11,000 Mw on stream for Hydro Quebec by 1985. Not quite as spectacularly, perhaps, Ontario Hydro is expanding its own



Projections, assuming maximum exploration and development, show how the oil sands could become increasingly important, together with oil and gas from the Arctic.

## Pipeline

Two possibilities exist for bringing Beaufort Sea gas south. It could move along a pipeline to be built along the Mackenzie River, or it could be pumped into a spur line leading to the Alcan route. The latter has now been agreed between Canada and the U.S. as a transit route for Alaskan gas through northern British Columbia and Alberta.

The Alcan pipeline is discussed in detail elsewhere in this survey. Its chief sponsor is Alberta Gas Trunk Line (AGTL), which would also be in charge of the spur line along the Dempster Highway should it be built. But AGTL would also be the front runner for the alternative route along the Mackenzie River (not to be confused with the Mackenzie Valley Pipeline for Alaskan gas which is dead).

Whether Dempster or Mackenzie is chosen for Canadian gas in the Mackenzie Delta and the Beaufort Sea depends on how much is found, and when it becomes available, principally in the Beaufort Sea. The 7,000bn. cubic feet proved in the delta are not sufficient to warrant a pipeline of their own.

An application is expected to be lodged soon for permits eventually to build a pipeline to bring gas south from the islands in the Canadian Arctic to Ontario. That is a project for 1985 or beyond; the

THE CURRENT round of expansion in the Canadian petrochemical industry will put its capacity well beyond domestic market needs; with this surplus the industry is sailing into uncharted waters. If it wants to see the worst that could befall it in the next few years, it need not look beyond its close cousin, the Eastern Canadian oil refining industry.

During the late 1960s and early 1970s there was a tremendous expansion of oil refining capacity in Eastern Canada, much of which was built to serve the U.S. market. But with changes in U.S. policy in the wake of the Seven Days War and the Arab oil embargo, offshore refineries, usually dependent on high-cost OPEC oil, have not been able to compete in the U.S. market with U.S. refineries which have access to cheaper oil.

While the export market for petrochemicals — and for Canadian plants that is the U.S. market — is not shut off to Canadian producers, they are not easy or assured. Alberta's Premier Peter Lougheed, who wants to make certain the plants being built in his province will find markets, has even resorted to his own personal trade talks with the U.S. Ambassador to Canada, Thomas Enders.

Mr. Lougheed is reported to be ready to swap Albertan natural gas, which as the events of last winter demonstrate the U.S. badly needs, for improved access to the U.S. petrochemical market, which as events are shaping up Mr. Lougheed badly needs. When the saw-off comes, however, it will be a three-cornered affair, as Mr. Lougheed's Government does

not have the power to authorise increased gas exports or a new trade deal for Alberta plants with the U.S. These are up to the Canadian Federal Government though, as it has in the past, Ottawa is likely to see through Mr. Lougheed's way, if for no other reason than it is godfather to one of the two key plants being added to Canadian capacity.

That plant is the Sarnia, Ontario, plant of Petrosar, which is partly owned by Polysar, a Federal Crown corporation. Petrosar, which became fully operational last month with the start-up of the Olefins unit, has the capacity to produce 1bn. lb. of ethylene a year, plus some propylene, benzene and butadiene. When going as full bore, the \$650m. complex will process 170,000 barrels of crude a day.

But Petrosar runs directly into the depressed Eastern Canadian refining market. When fully operation it will produce about 110,000 barrels a day of fuels, the bulk of which will comprise 70,000 b/d of residual fuel oils and 31,000 b/d of middle distillates.

Nor are they likely to improve. The surplus capacity in Eastern Canada will be added to next summer when Texaco Canada starts up its 95,000 h/d refinery at Nanticoke on the shore of Lake Erie. At the start this refinery will have a volume of 56,000 h/d but the net increase in the refinery run in Eastern Canada will be only 16,000 barrels a day at the start as Texaco will cut back production at its 48,000 h/d Port Credit refinery and cancel a 10,000 h/d processing agreement.

When Petrosar and Nanticoke are fully on stream, the Ontario refining industry will be operat-

ing at 71 per cent of capacity, compared with the 81 per cent it was operating at before the two started up. With this surplus capacity hanging over the market, price competition is expected to be fierce.

But it is not the Petrosar plant and depressed Eastern Canadian market that are Mr. Lougheed's concern as he pushes for a better deal for Canadian petrochemicals in U.S. markets.

fact he tried to block the building of Petrosar. His concern is the second key plant in the province's natural gas stream: before it leaves the province.

Both the Sarnia and Alberta plants have prompted construction of a wave of secondary derivative plants.

At Sarnia, Shell Canada is spending \$100m. on a polypropylene plant with a capacity of 150m. lb. a year that will use ethylene from the Petrosar complex. This plant is scheduled for completion next year. Shell is also spending \$22m. to double the capacity of its aromatics plant at Sarnia to 40m. gallons a year. Shell is building a isopropyl alcohol plant at Sarnia with a capacity of 200m. lb. a year.

Union Carbide Canada is building a \$170m. plant at Sarnia to produce 350m. lb. a year of high and low density polyethylene, while Polysar is building a \$90m. styrene monomer plant with an annual capacity of 600m. lb. and Du Pont of Canada is spending \$45m. to raise its polyethylene capacity to 450m. lb. a year.

The Shell Canada polypropylene plant illustrates some of the problems faced by the Canadian industry. The third major petrochemical centre in Canada is Montreal, where a major expansion phase that started in 1973 has just been completed. The final plant to be built in Montreal is a polypropylene plant which cost Hercules Canada more than \$50m. to build. But this plant, which capacity now under way in like the Shell plant, would have a capacity of 150m. lb. a year, could supply all domestic demand and have a surplus left over for export.

There is one other expansion of polyvinyl capacity in Canada. B. F. Goodrich is doubling capacity at Niagara Falls, Ontario from 200m. to 400m. This expansion is scheduled for completion in April 1978.

In Alberta, Mr. Lougheed is more to be concerned with the nature of derivative that will follow the plant. He would like to see a second ethylene plant change as a feedstock in the early 1980s. A number other Alberta projects, the approval stage. Lougheed's Cabinet has given permits on two other which the Alberta Resources Conservation has approved.

One is the construction of a 600-tonnes-a-day methanol plant at the Medicine Hat, Alberta Gas Chemicals would double its capacity to 2,400 tonnes daily. The plant is a \$225m. benzene plant Fort Saskatchewan with a capacity of 1.1bn. lbs. a year, which would use ethane plus as a feedstock by the Alberta Energy Co. Hudson's Bay Oil and Gas, Mitsubishi Petrochemical and Mitsubishi Corporation. The Energy Board also recommended that project does not go ahead unless a benzene plant is built by Alberta Gas Trunk Chemical and Alberta Chemical be approved. Cabinet.

## PETROCHEMICALS

# Plant capacity piling up

James

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هكذا من الأهل

# The Alaska project

DA HAS taken the Pipelines, joined the project and approved a joint team. TransCanada, with gross assets of \$1.8bn, built and operates the transmission system carrying Alberta gas into central and eastern Canada.

At present, TransCanada has a 20 per cent equity interest in Foothills Pipelines (Yukon) of Calgary, the Canadian parent company in charge of the Alaska Highway gas pipeline project. Westcoast and Alberta Gas Trunk both have a 40 per cent interest in Foothills.

Through consideration is being given to issuing public shares in Canada and raising the Westcoast and Alberta Gas Trunk interest to as little as 33 per cent each.

## Consortium

The consortium, to make financing of this mammoth project a little easier, will split up the pipeline into sections within Canada. It will be exclusively responsible for the trickiest northern section of the pipeline through the Yukon. In Alberta, the consortium will own 51 per cent of an operating subsidiary, with the remaining 49 per cent owned by Alberta Gas Trunk, the local pipeline company and the company that will actually do the building and running of that portion of the pipeline.

In northern British Columbia, Westcoast will own the 49 per cent share and will build and run the section; in southern British Columbia, Alberta Natural Gas Pipeline Company (which operates a pipeline from western Alberta to the U.S. Pacific Northwest) will be responsible for the western leg of the pipeline; and TransCanada will take on the eastern leg through Saskatchewan into the U.S.

Initial task, to build and operate a mammoth pipeline. Until the pipeline is built and the gas starts flowing to customers, the project has no significant assets to produce cash flow. And even when the pipeline starts operating, the financial exposure continues: if the northern gas flow is interrupted for any reason, the revenue stops, even while huge debt service obligations continue.

Even if the participating companies in the project were willing to put their assets on the line, there would not be enough total resources to cover a non-completion contingency and there might not be enough to cover a lengthy interruption contingency. The project had proposed that the two governments allow an "all-events" tariff which would, in effect, have shifted the responsibility on to the customer gas utilities. This concept has been rejected by Canada and the U.S. and the

project is trying to develop a modified "minimum billing" or "soma avents" tariffs that would at least cover debt service in the event of an interruption of service.

Nevertheless, now that the U.S. Congress has blessed the project and now that Canada is preparing comparable enabling legislation, all eyes are focused on financing — can private industry do it alone, or will the consortium have to come back to governments and request direct or indirect assistance?

The financial overtures will be made to the Canadian and U.S. financial institutions — the pension funds, insurance companies, banks and government investment corporations — late in 1978 and early in 1979. The Foothills consortium has made a lot of promises: that it will attempt to achieve Canadian content of the materials for the

Island, to start with) where upwards of 13,000 cubic feet of gas have already been found. The price tag in 1978 Canadian dollars, is \$8.1bn. (\$10bn, or more after escalation into dollars as spent) and the technological problems (crossing deep, ice-filled channels between islands) are considerably more formidable.

Yet the feeling in the Polar Gas consortium is that if the Alaska Highway project succeeds, then a High Arctic Island pipeline should be possible — especially if Polar Gas learns from the mistakes and successes of its predecessors.

One of the things Polar Gas has already learned is to be eminently flexible, as the Alaska Highway project was in winning the political nod in Washington and Ottawa. Canadian Arctic Gas Pipeline of Toronto, the U.S.-dominated consortium which had proposed a Mackenzie River Valley gas pipeline instead of the Alaska Highway pipeline, had thought its project would win against the Alaska Highway project, if only because the Mackenzie Valley route was the engineers' and geologists' solution. It would have won had it not been for native and environmental problems high-lighted by a unique and lengthy Canadian inquiry into the impact of such a pipeline on the North and its Indian and Eskimo (Inuit) residents: Native and environmental concerns were smaller along the Alaska Highway route and, just as important, the potential political problems were perceived by the Canadian government to be smaller as well. For one, Canada didn't get locked in to a decision on how to tap its own, limited reserves of Arctic gas — that decision can be made several years from now, when more should be known about the location and distribution of northern energy resources.

## Challenger

The Polar Gas pipeline concept is already facing a potential challenger — another group, led by the Canadian state oil company, PetroCanada, in partnership with Alberta Gas Trunk, which is studying the feasibility of moving 250m. cubic feet a day of High Arctic Islands gas to eastern Canadian and U.S. markets via special ice-strengthened liquefied natural gas tankers. The LNG project would cost \$1.2bn, and deliver gas to eastern seaboard markets for an estimated \$4 per thousand cubic feet (compared to about \$3.50 per thousand cubic feet for the Alaska Highway pipeline, to central and western U.S. markets).

Critics of the Mackenzie Valley and Alaska Highway pipelines from the western Arctic argue that there just would not be enough money available in the North American capital markets to finance all of the major capital projects in the energy sector alone during the coming decades, and that governments were making a fundamental error by approving such pipelines, since this has the effect of encouraging rather than discouraging the use of diminishing fossil fuels.

The Canadian government argues, on the other hand, that such major capital projects give Canada (and the U.S.) valuable time to develop other energy resources and at the same time help arrest the trend towards growing dependence for oil on the Middle East. Also, such projects generate much-needed employment.

Jeff Carruthers

## MINING

# Only a few bright spots

THE CANADIAN mining industry appears close to a crisis, brought about by poor demand resulting from a sluggish world economy and aggravated by serious disincentives in the form of federal and provincial government taxation and resource development policies. The result has been a decline in production capacity, layoffs or dismissals, and a rapidly declining pace of exploration and mine development.

A recent survey of capital spending intentions for projects that will take place into the 1980s indicates that the major mining companies plan a 52 per cent drop in expenditure this year to \$1.51bn. from \$2.76bn. in 1976.

Among the key minerals, base metals producers' spending is down 15 per cent to \$859m., uranium spending is off by 20 per cent to \$216m., reflecting the suspension of developments in northern Saskatchewan while environmental hearings are conducted, and a 12 per cent reduction to \$87m. as asbestos producers as a result of uncertainties following the decision of the government in Quebec to gain eventual control of Asbestos Corp., a major producer in the Province.

Another survey by the Mining Association of Canada showed that 63 per cent of planned projects and expansion are being deferred, delayed or are awaiting a final go-ahead even though they are economically viable. Of 38 projects studied, only nine are proceeding.

A key deterrent was the announcement by Texasgulf Incorporated, of Stamford, Connecticut, that its plans to "stretch out" work on its \$420m. production expansion at the Kidd Creek copper-zinc complex, near Timmins in Northern Ontario, in a move that will reduce capital spending by almost \$100m. in 1978 and by \$80m. in 1979.

The company said it is slowing down construction, originally scheduled for completion in 1979, in view of the current world market conditions for zinc and copper, which may continue for some time, and their effect on earnings and cash flow. The expansion, which began in 1976, involves a \$280m. construction of a new refinery and copper smelter to increase rated capacity to 150,000 tons of refined copper a year from 65,000 tons, and a \$140m. mill expansion that will raise milling capacity to about 5m. tons of ore annually from 3.6m. tons.

Johns-Manville Corporation of Denver said it is "considering" its investment plans in Quebec following the statement of Premier René Lévesque that the Government will be watching the performance of the other major asbestos producers in the Province. Mr. Lévesque said he had "very much in mind" their investment decisions and plans to upgrade output that would result in the creation of jobs in Quebec. By buying Asbestos Corporation the Government would immediately have access to all stages of production of asbestos, including marketing.

Mr. Lévesque said that negotiations for the purchase are underway with General Dynamics of St. Louis, which has a 54.6 per cent interest in Asbestos Corporation, but no agreement has been reached. These talks could become bitter in view of General Dynamics' statement that it has no desire to sell its holdings.

Politicians are becoming more aware of the role of the mining industry in the Canadian economy and as an earner of foreign exchange. In the light of the boom-and-bust cyclical pattern of mining which has left the nickel, copper, lead and zinc markets in disarray, the idea that incentives are needed to keep the industry competitive in a worldwide market place is growing.

The severity of the situation was reinforced in October by the announcement by Inco of Toronto, the world's largest nickel producer, that it will lay off about 3,400 employees by mid-1978. As a result, production from Inco's Canadian operations will be reduced to 360m. lbs. in 1978, compared with 492m. lbs. in 1976 and a rated capacity in excess of 500m. lbs.

## Angry

The loud and angry response, especially from opposition political parties in Ontario, where Inco's large Sudbury complex is located, have tended to obscure the seriousness of the company's position in world markets. Excess inventories in the non-Communist world are estimated at between 400m. and 500m. lbs., with Inco having about 200m. lbs. over working levels.

The outlook for early 1978 is still poor because of the very competitive situation in the nickel market, which reflects a very slow recovery in consumption, especially in class one metal, which is Inco's forte. In addition, cash problems of new nickel producers are forcing aggressive price discounting, while customers can continue to carry low inventories because of the sizeable redundancy in producers' stocks.

Prices are no doubt going to

continue under pressure and the competitive pricing environment is expected to prevail through 1978. The outlook for 1979 and beyond appears uncertain unless producers are prepared to make further cuts in their operating rates. However, the question remains as to whether or not the cutbacks will be sufficient to start depleting the excessive inventories.

The brokerage firm Richardson Securities of Canada expects that significant inroads are not likely in this area over the next two years. "Long-established producers such as Inco can weather the storm, but in this day and age, even the new producers are going to find financial support that will keep their operations going. In theory, projects such as this should go into receivership, but it is very unlikely to happen."

On a more positive note, Richardson believes the long-term prospects for the nickel industry, well into the 1980s, may be more positive as very limited new capacity is likely to be constructed until prices strengthen as a result of a return to a more balanced market.

Copper markets continue to be weak. Indications are that demand has dropped sharply this autumn so that producers prices are close to bottom, which should improve the company's four quarter profitability. It said that if there are no further declines from prices prevailing in early November, fourth quarter results should be better than those of the third quarter, although "certainly far short of satisfactory levels."

Lead is one of the few metals showing any kind of strength this year, and both U.S. and Canadian producers raised prices early in November as a result of the firm demand. With

## Reduced

Noranda said there is "reason to hope" that copper and zinc prices are close to bottom, which should improve the company's four quarter profitability. It said that if there are no further declines from prices prevailing in early November, fourth quarter results should be better than those of the third quarter, although "certainly far short of satisfactory levels."

Lead is one of the few metals showing any kind of strength this year, and both U.S. and Canadian producers raised prices early in November as a result of the firm demand. With

the recent settlement of the U.S. smelter strikes, battery makers are planning heavy production schedules to avoid a repetition of their finished inventory depletion last year during the severe winter.

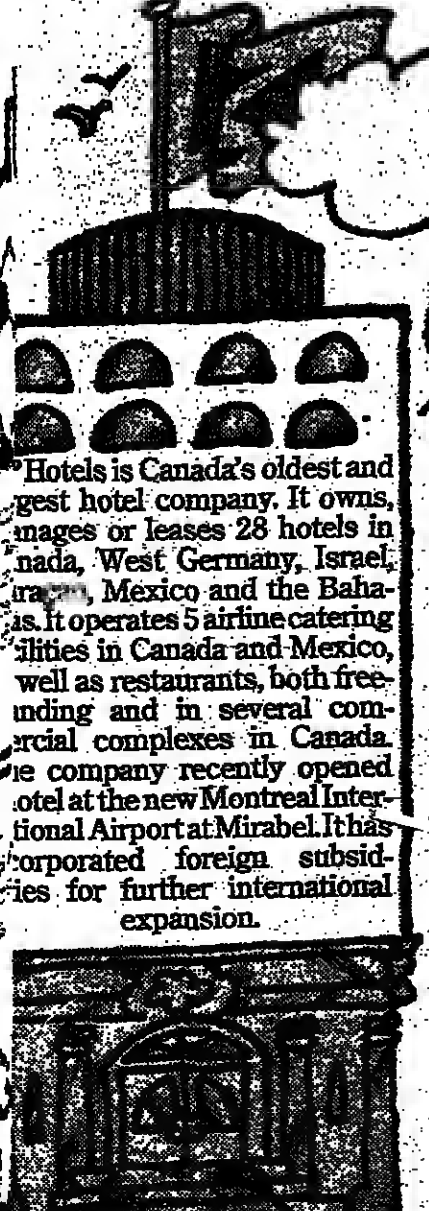
Iron ore shipments to U.S. steel mills, the industry's main customer, have declined sharply this year, the key problem facing U.S. steelmakers is the influx of cheap foreign steel that has already captured 19 per cent of the U.S. domestic market. A factor that would boost the cost of their steel still higher is the proposed 12.5 per cent increase in seaway tolls for bulk cargoes such as iron ore and pellets.

Iron Ore Co. of Canada, partly owned by Hollinger Mines of Toronto, has protested against the proposed toll increase in the face of the fact that, in the first time in its history, the company has had to reduce production from its Labrador mines because of poor market conditions.

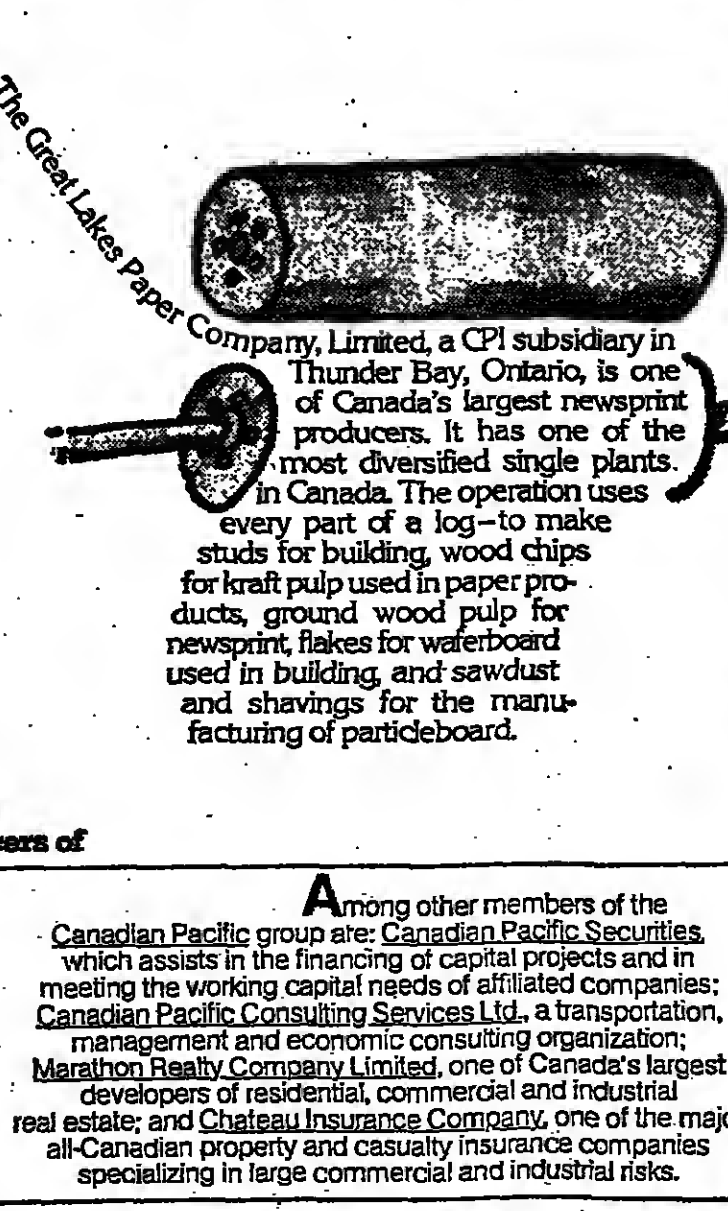
Gold, molybdenum, and tungsten are about the only bright spots in the metals picture as a result of the growing demand and rising prices. But the near term outlook for other minerals remains bleak.

Quebec mines minister Yves Berube has called on the Federal Government to establish a foreign trade policy that is precise and articulate and corresponds to the specific needs of the provinces. To revive the Canadian industry, the MAC has requested a ceiling on the combined federal-provincial taxation and special tax treatment to new mines coming into production during a fixed five-year period to see what effect such treatment has on mine development and exploration.

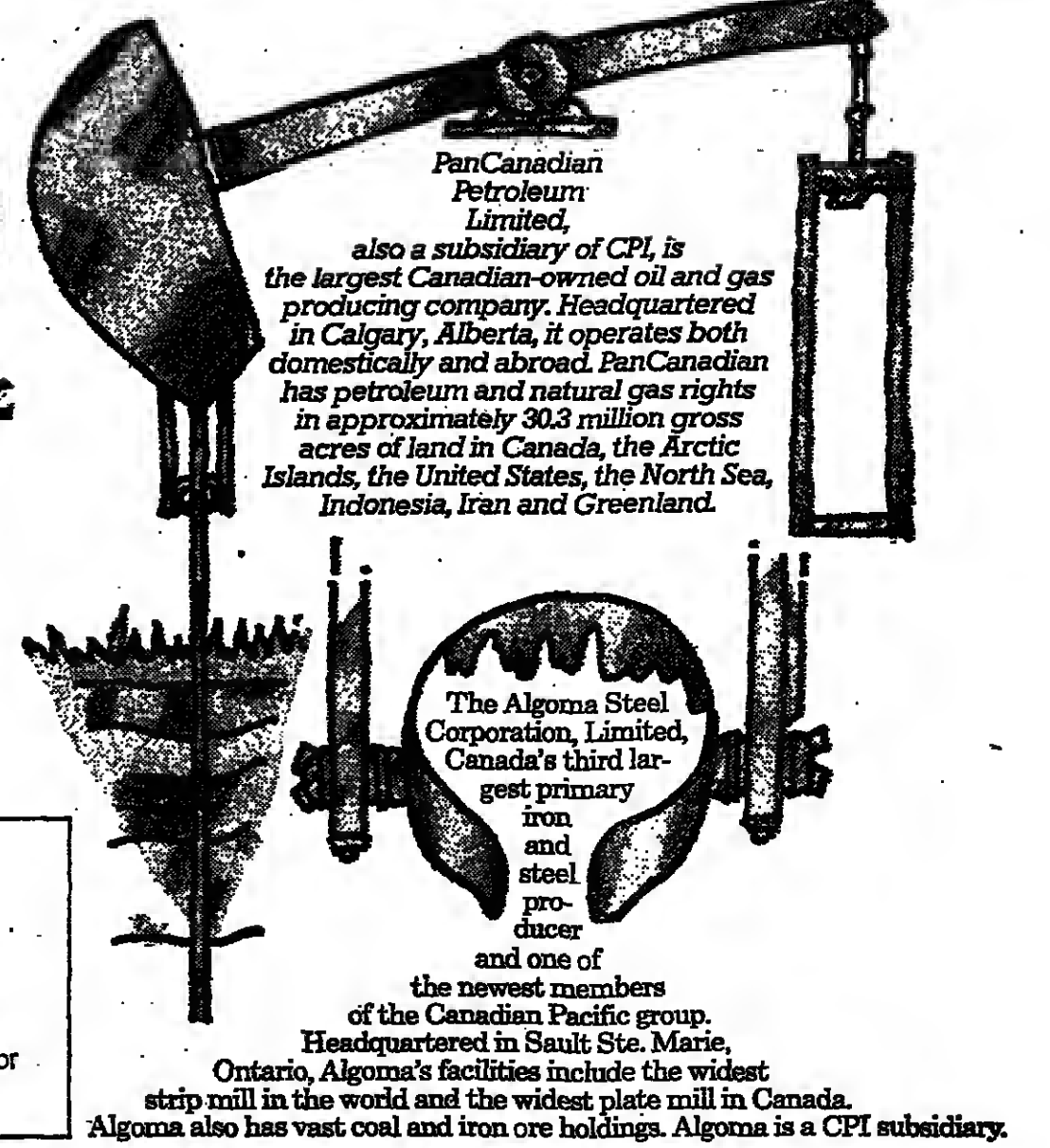
Lawrence Walsh



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ONTARIO

Severe blows on the economic front

THE ECONOMIC realities afflicting most of the industrialized world—virulent inflation and painfully slow recovery from recession—have finally caught up with Ontario and the government and the business community realize that the Province is no longer insulated from world competition in marketing the products of its resource industries. It is facing energy shortages not too far in the future, and appears likely to have unused manufacturing capacity for some time to come. Plant closings, mass layoffs and other reductions in the workforce are on the increase, cutting across most economic sectors and hitting both large and small communities.

In the first seven months of this year there were 132 cases of plant closings and layoffs affecting thousands of workers. The most recent blow to the government's hope that the Province would soon recover from the recession and once again attain vigorous and sustained growth was dealt by INCO, the world's largest nickel producer, which announced a sharp and possibly permanent production cutback at its mines in northern Ontario with the loss of 2,800 jobs. Inco will also trim 650 employees from its payroll at a much smaller mining operation in Manitoba.

ese investment in the Province was sternly rebuked by Teichgraber, Chairman of Mitsui. Declaring that "we have to make a profit, we are not a charity." He cited Canada's labour problems, high taxes and strict environmental controls as barriers to investment in Ontario and other provinces.

That this attitude prevails elsewhere is shown up by the fact that Ontario's grip on approximately half of the foreign investment capital that comes into Canada has slipped badly in the past year. Last year, more money—about \$400m.—went out of Ontario for direct investment abroad than came in. Ontario's share of capital spending in Canada this year is expected to drop to 30 per cent from 32.6 per cent in 1976.

Manufacturing investment is calculated to rise by only 3.9 per cent, compared with 15.3 per cent for Canada as a whole. Nor has there been any significant increase in the number of new manufacturing companies starting in business. The 105 new companies that opened plants in the Province last year were about the same number that were established in 1975. An economist with Ontario's Ministry of Treasury, Economics and Intergovernmental Affairs said that bulk commodity and chemical manufacturing will continue to move from Ontario to the western provinces, but prospects for heavy industry will improve when the proposed natural gas pipelines from the Arctic are built.

There are a number of reasons for the pessimism that grips many businessmen. Two of the largest television manufacturers have in the past few months stopped manufacturing in Ontario and will import them instead from the United States and abroad. A plate glass manufacturer also is ceasing production. But others are not so pessimistic. Obviously, the year's increase in the pulp and paper industry spending indicates a faith in Ontario's future. As does the multi-million dollar investment programmed by Canada's three largest steel producers at the Sault Ste. Marie and the new steel plant being built at Naticoke, Peter Gordon, President of Steel Co. of Canada, to encourage more Japanese investment in the Province, because of its population market and geographical location, has the best opportunity for expansion during the next few years than the other provinces. However, not only the steel industry experience a soft demand this year for its products, the same situation is expected to continue into next year.

But the outlook for steel is better than prospects in the construction and agricultural industries. It is difficult to locate a major new project being started in the Province. Most of the major projects currently under construction will finish this year or next. An example is the \$400m. refinery being built by Texaco Canada at Naticoke. On the horizon but not yet a firm probability is the development of a lignite fuelled power plant in the far north of the Province.

Lignite The energy crisis and public opposition to nuclear power plants has directed Ontario Hydro's attention once again to the lignite deposits located 60 miles south of James Bay and 500 miles north of Toronto. For at least 50 years the deposits have been something of a joke and a puzzle. How to make use of the lignite at Onakawana has included attempts by developers, consumers and politicians through the years. Now Ontario Hydro, Macalta Coal Company and a firm of consulting engineers are half way through a full scale study to prepare an economic evaluation of several modes of power plants. A report is expected to be ready by March, 1978. The study will compare the cost and efficiency of the lignite with the cost of importing coal from the United States and Western Canada. The projected cost of establishing a 1,000 MW power plant at the site is about \$700m. If the project proceeds it would provide 1,200 jobs during the six year construction period and 500 to 600 permanent jobs during the 30-year operating period. Reserves of 1,000 tons of lignite. The Government hopes that the study will prove to be positive. The project could spark a series of developments throughout the area because there are substantial deposits of other industrial minerals in the

James Bay lowlands that require significant amount of energy for processing. The bright spot has the transportation equipment industry, which has been hit by a strong autumn sales year both in Canada and the United States. Ship by the group have been steadily. Metal fabric machinery, chemical products have been showing sizable gains. The attitudes expressed by many manufacturers illustrate an improved outlook. The Director of the Canadian Manufacturers Association says that the period of change is optimistic. His change has helped alone by the 100,000 in both the federal and provincial governments' response to industry and recent ideas that the Government is listening to industry's complaints concerning policy and improving trend in industrial relations—fewer strikes taking place and wage increases being held in check—have helped change the manufacturers' mood. The worst news does not mean they do not hope some criteria for the industry's success following the end of the year. There is some hope for consumers spending will pick up next year as the result of a federal government's intention to give tax cutbacks to medium income workers in the first two months of 1978.

There is no doubt that will provide some stimuli to the Province's economy. For lasting effects, some more will be needed. Provincial governments' will not provide in a boost reflecting the Provincial budget by 1981. It is easy to be really pessimistic about the future, but the resurgence of optimism in industry sectors gives cause to think that the worst and that growth in the industry will resume, although fast a rate as has been enjoyed in the past.

James



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ATLANTIC PROVINCES Little cause for joy

A HALIFAX taxi driver shot himself recently when he couldn't pay \$10,000 owed on an oil company credit card. Seven other suicides in the Cape Breton area of Nova Scotia have been blamed on despair created by persistent unemployment. Those deaths are the human side of an increasingly serious economic situation facing Canada's Atlantic Provinces. It began in 1973 with the world oil crisis and has deepened ever since.

In relative terms, of course, the area is still very much part of affluent North America. But the kind of expansionary optimism that existed before the 1973 OPEC action has vanished. Investment has sagged, job creation has slowed and business and consumer confidence has waned. At 13.5 per cent, October's regional average unemployment level was nearly twice the national average and in some parts of the four coastal provinces jobless pockets of up to 30 per cent exist. It is arguable that the deaths attributed by labour leaders to the discouraging economic situation might have happened anyway.

While it is engaged in a deep-seated dispute with Ottawa over offshore mineral jurisdiction and fisheries policy, no one seriously suggests that Newfoundland aspires to independence. Its inclusion in Canada is even an aberration, if recent revelations about the conduct of the 1949 confederation referendum there are to be believed. According to a submission to the task force on Canadian Unity by Professor Harold Paddock of Memorial University, St. John's, the vote was altered on orders from Whitehall to the British appointed Commission of Government. The actual result, Professor Paddock claims, was 51 per cent to 49 per cent in favour of independence. But this was reversed in favour of confederation with Canada.

Professor Paddock says his information comes from one of those involved in the conspiracy. They had been instructed to declare in favour of Canadian affiliation, regardless of the outcome, the implication being that Ottawa and London had secretly agreed to prevent the island coming directly within the U.S. orbit. However fanciful, the story does raise serious questions of how people would react now if options of independence or affiliation with the United States ensued from a break up of Canada because of Quebec. In the past suggestions of U.S. annexation have always been greeted with the retort "why would they want us." The defence implications of an independent Quebec and the major constitutional changes to provide greater provincial autonomy as well as foster might in future provide a plausible answer.

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# Threat of wages explosion recedes

BRITISH COLUMBIA, whose biggest competitor, the U.S. (m. inhabitants share a vast. Before the latest agreement sources-rich and picturesque reached in the forestry sector cific coastal province the size in August BC forestry workers Western Europe, is nearing earnings were running some 15 per cent. above those of their U.S. counterparts.

The gap has since narrowed. The U.S. forestry workers received a 10 per cent. rise in mid-year. BC workers finally settled for about 7 1/2 per cent. on a yearly basis. That figure has since emerged as a norm for other BC sectors.

Nevertheless, British Columbia, with its heavily export-orientated economy, has better reasons than most provinces to be thankful for the falling Canadian dollar. Quite apart from the need to stay competitive in the all-important U.S. market for forestry products, there had been increasing fears, now to some extent allayed, for a economy were in similarly revenues of the lucrative tourism industry, the province's third largest, which in 1976 topped the \$1bn. mark for the first time.

## Increase

Last year, real Gross Provincial Product registered an increase of 5.1 per cent., with the Government forecasting a further increase to the order of 5.5 to 6 per cent. during 1977.

However, this now looks over-optimistic, despite a strong performance by the lumber sector of the forest products industry, where first-half exports rose by 50.1 per cent. this year as a result of the current U.S. housing boom.

The latest Conference Board survey suggests real growth this year of only some 4 per cent., although this is still comfortably ahead of the Board's gloomy 2.9 per cent. growth forecast for the Canadian economy as a whole. The Board sees some slight relief on the labour front in 1978, forecasting a drop in the jobless figure to 7.9 per cent. But other B.C. forecasters say that a drop of even this size is perhaps optimistic. The problem is hardly one of stagnation, however. The number of jobs available has grown by nearly 3 per cent. this year, but the size of the labour force has grown even faster.

Overall, exports of BC goods in the first half of this year at \$2.95bn. were 23 per cent. higher in the corresponding period of 1976. Lumber was the star performer, with another bright spot proving to be copper, where exports were up 27 per cent. in value despite a severely depressed world market. Pulp and paper products, another highly important sector,

remained deep in the doldrums with exports down about 10 per cent. in quantity and value, while a similar decline in metallurgical coal exports reflects the global recession in steel-making.

A more positive note is struck, however, by an emerging willingness among the larger industries to step up capital investment in the province after a hiatus of several years. The post-1973 recession was mostly to blame, although a plunge deep into provincial deficit by a free-spending socialist New Democratic Government between 1972 and 1975—after 20 years of rigorous Social Credit fiscal rectitude under the present Premier's father, W. A. C. Bennett—did not exactly help.

A more neutral stance has been taken by the current Government, which in the past year has repealed some fairly punitive NDP legislation on mining royalties and is in the process of unloading most of the private company assets taken over by the NDP. Actions such as those do seem to have had the desired effect of shaking more investment cash loose from corporate pockets and the Government currently is forecasting a 10 per cent. increase in capital and repair expenditures this year to some \$7bn.

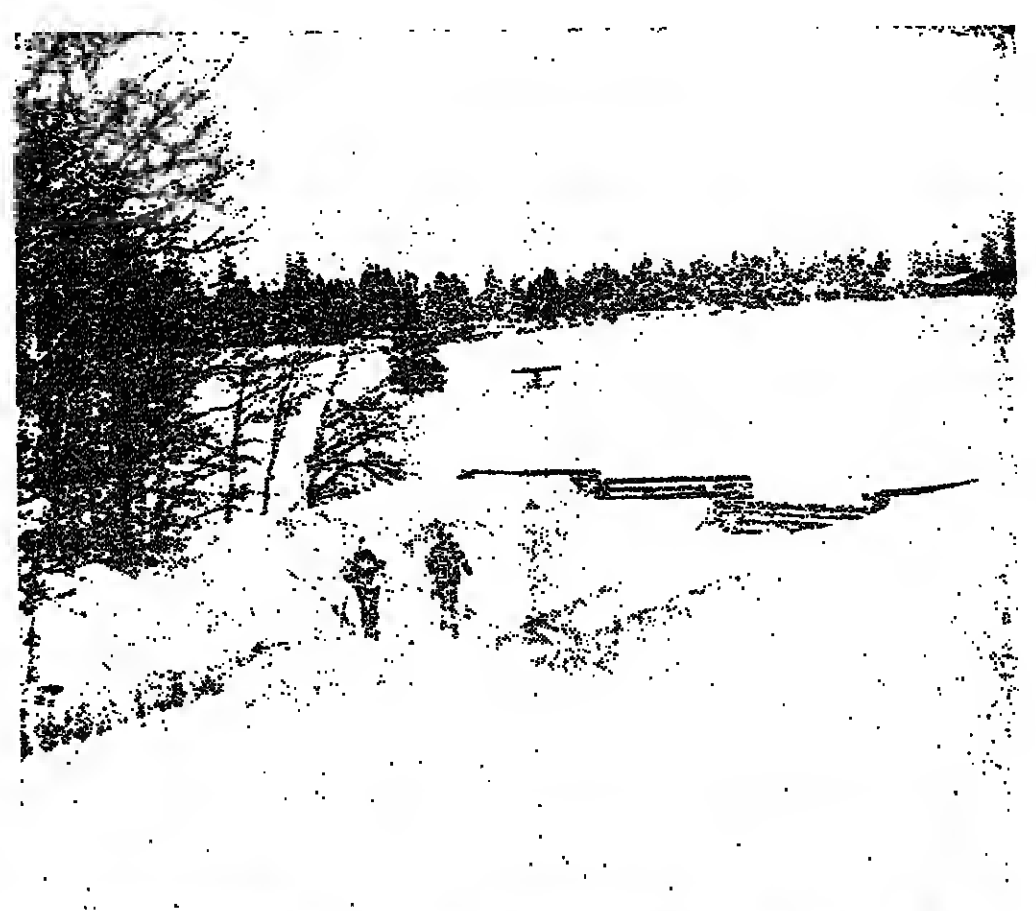
It has been encouraged so far in the forestry sector by a

\$450m. five-year development plan announced by Macmillan Bloedel, the province's biggest forestry company, a \$125m. pulp and paper plant upgrading programme by Crown Zellerbach, and numerous smaller projects. By comparison with investment levels among rival U.S. producers, however, such funds seem fairly small beer.

U.S. investment is said by some analysis to have run at four to five times the British Columbia average throughout the seventies. On other fronts, Comico has unveiled a \$425m. programme for stepping up zinc and lead production from its mines in the BC interior, while 1977 sales of oil and gas exploration leases, at \$62m., have yielded more than in the previous three years combined.

Meanwhile, Federal/provincial studies go on into the feasibility and costs of developing the vast coal deposits in the north-east, which are emerging as the province's biggest long-term asset.

Last year 9m. tons of metallurgical coal from southern BC to the Pacific Rim. The question is now whether the port of Prince Rupert, 1,000 miles to the north of Vancouver, can economically be developed and transport links established with the northern coal deposits held by BP and Deason Mines. The



Skiers at 105-mile Ranch, Caribou, British Columbia.

John Griffiths

## ATLANTIC PROVINCES

CONTINUED FROM PREVIOUS PAGE

ent has virtually ceased since the onset of the recession. Even the carryover effect of plans made before 1973 is now dissipated. A number of shiny new ice towers have recently been completed in major provincial centres but in cities like Halifax to 85 per cent. of the available floor space in them remains vacant.

The ill-fated Shaheen Natural sources Co. refinery at Combs-Chance in Newfoundland was the last of the big industrial projects completed. With the reaction by the receiver of offers received in response to a purchase call earlier this year, the future of the refinery remains determined.

After 18 months of study by the Dutch and Canadian companies decided to postpone indefinitely a decision on construction of a \$200m. mid-scale basic steel plant at Caribou Bay, N.S. The current prospect for steel could not justify the investment. As a result, the Nova Scotia government is hoping to get additional support for a rehabilitation of the technically antiquated Sydney Steel Corp. mill. A favourable federal response is expected, but the announcement must await the onset of the next federal election campaign.

Similar reasoning seems to be the only explanation for the continued delay in Ottawa's financial commitment to a long-delayed second container terminal at Halifax. Port officials' future traffic forecasts are not as bright as they once were. The Province has authorised a start on site preparation for the terminal, but would be reluctant to bear the fire cost of the project. In the meantime, shipping business being lost to Montreal, possibly as a result of higher rates on the inland rail freight competition.

Asked about the reduced level of investment in the Atlantic region, higher freight rates, and the burden of high unemployment and falling living standards resulting partly from general anti-inflation policies, Trudeau told reporters that the situation would only become worse if he adopted the "wacky notions" sometimes proposed.

Lyndon Watkins

"We were prepared to assist the establishment of the Gabarus Bay steel plant. But why go ahead with it if a market doesn't exist. Do you suggest we throw the steel into the sea?"

He said all Canadians must realise that circumstances have changed since 1973. The country is not as rich as it thought it was. It will only regain its former status by becoming competitive again in world markets.

That suggests continuing hard times for the Atlantic area. With the exception of lumber, most of the region's major industries are performing well below capacity.

New Brunswick has recently agreed on terms for a \$106m. new potash mine by Potash Company of America. But the mining industry generally is depressed because of reduced world demand and lower metals prices.

There have been layoffs in the lead-zinc and iron ore sectors and several potential developments have been shelved. The only bright spot, apart from potash, is coal, where one new strip mine has been developed in Nova Scotia and several others are anticipated. George Wimpey Canada is involved in both development and exploration. Additional underground coal output is also expected following offshore drilling this summer in the large Sydney coal basin.

Newfoundland recently published new provincial offshore mineral regulations. But a jurisdictional impasse with Ottawa, which led to the suspension of drilling in the Labrador Sea this year, continues. The issue is likely to be referred to the Supreme Court of Canada in the second half of 1978.

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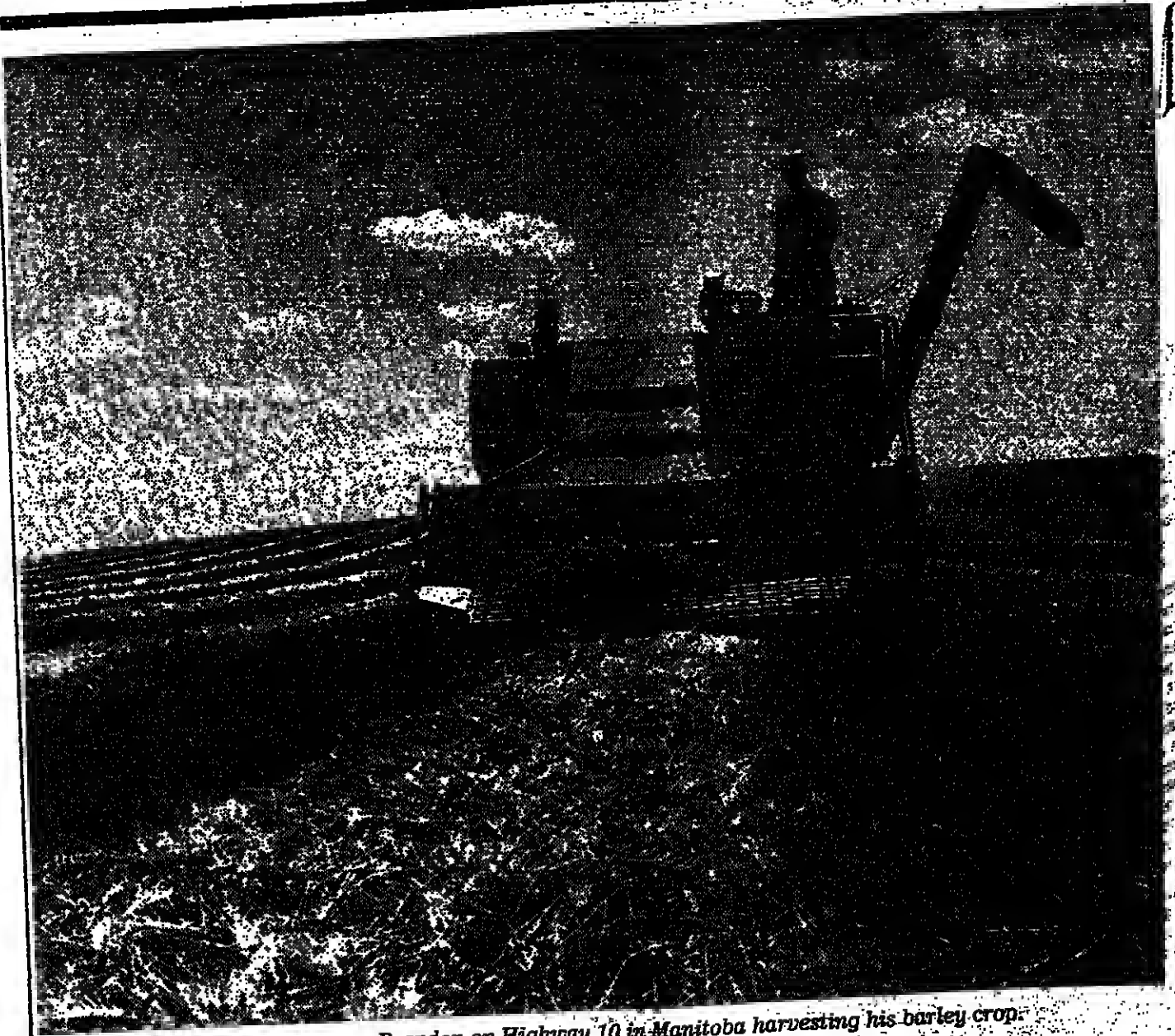
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A farmer near Brandon on Highway 10 in Manitoba harvesting his barley crop.

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MANITOBA DEPARTMENT OF INDUSTRY AND COMMERCE

## A sudden loss of confidence

FOR THE first half of the 1970s Manitoba and Saskatchewan enjoyed a high level of prosperity that enabled their provincial governments to finance ambitious new programmes and social experiments. But with the mood of expansion and innovation in these two Prairie Provinces has tended to fade.

There has been in fact a recent dramatic shift in public attitudes on the Prairies. Manitoba and Saskatchewan citizens—who number slightly more than a million in each province—now feel that caution, frugality and the status quo should be the order of the day. This turnaround in their thinking is already being reflected in the economic and political climate in the region.

The change in atmosphere was clearly demonstrated last month in Manitoba when the eight-year-old New Democratic (Socialist) Party (NDP) provincial government was easily ejected from office by the Conservatives led by Sterling Lyon, a 50-year-old Winnipeg lawyer. The NDP, in trying to hold on to the reins of power, had promised Manitoba a continuation of sizeable government spending on public housing, job-creation and the extension of social services.

The Tories, on the other hand, campaigned on the basis that they would trim government expenditures and reduce both personal and corporate income taxes. At one pre-election meeting Mr. Lyon—who was a Cabinet Minister in an earlier Manitoba Conservative government in the 1960s—forthrightly told voters "Don't expect much from us." But this pledge to do almost nothing, far from turning off voters, resulted in his party winning a record 49 per cent of the popular vote, as well as 33 Legislature seats compared with 23 for former Premier Edward Schreyer's NDP.

The Conservative triumph was of course greeted with near-ecstasy by members of Manitoba's business community. Spokesmen for the private sector believe the province will have a much better chance to attract investment and new enterprises under the business-orientated Tories.

But so far Mr. Lyon has introduced no measures to stimulate Manitoba's rather fragile economy. In fact he and his Ministers have embarked on a programme of slashing government expenditures in almost all areas—to put themselves in a position to legislate the promised tax cuts early next year.

One of their first actions, for example, was to postpone the construction of Can.\$37m. of provincial office buildings that were to have been started this winter in Manitoba's capital, Winnipeg.

Public Works Minister Harry Enns justified the postponement by saying that the Government does not want to undertake the programme until a study determines whether the buildings are needed. At the moment there is a glut of newly completed private office space in Winnipeg with the result that the Conservatives feel they may be able to rent accommodation more economically than if they build it. But this effort at parsimony—while it may please the taxpayers—offers little consolation to Manitoba's construction industry, which is anticipating a 33 per cent unemployment rate this winter.

A second major economic setback occurred last month when Manitoba Hydro, the province's government-owned power utility, decided to cancel for at least a year, the construction of its \$1.1bn. Limestone generating station on the Nelson River in northern Manitoba. Hydro officials, who are building a chain of half-a-dozen major Nelson stations—the postponement of Limestone—the third plant—is necessary because Manitoba's electricity load growth has fallen substantially below earlier projections.

However, the immediate impact of the Limestone delay is to eliminate 1,200 new construction jobs that were to be created next spring—as well as dampening business prospects for the many Manitoba farmers. Canada's Agricultural Division said recently: "The traditional cost-price squeeze—when farmers simultaneously face higher costs and lower prices—is back and it is as real as ever. Furthermore, I have a bunch that things are going to get tougher as farmers become locked into a problem from which there is no easy escape."

The agricultural downturn is hurting both Manitoba and Saskatchewan, but especially the former because it does not have the abundant oil, potash and uranium resources of the latter. For example, Saskatchewan to-day has 17,000 more employed than a year ago, while Manitoba has created only 2,000 new jobs in the same period. Similarly, unemployment in Manitoba—currently running at five per cent versus 4.1 per cent a year ago—is expected to average 5½ per cent in 1977, as compared with Saskatchewan's average rate of 4.4 per cent, up from 4.1 per cent in 1976.

Despite the slowdown, Manitoba and Saskatchewan still boast unemployment rates that are lower than in any other province except booming oil-rich Alberta—and well below the national average of 7.5 per cent. Furthermore there is good reason to believe that the present agricultural slump will not be as deep or as severe as in the earlier cycles. Farmers, for instance, are now covered by a guaranteed Federal Government minimum price for their wheat (63 a bushel at the moment), as well as by Ottawa's grain income stabilisation plan which was set up two years ago.

This plan—which is co-financed by farmers and the Government—guarantees the former that their income in a bad year will not drop below their average net cash flow for the previous five years. So even if wheat prices are low, producers will still have a few dollars in their pockets.

The Canadian Wheat Board, in addition trying to offset lower prices by aggressive selling in the hope that larger export volumes will reduce losses in farm revenue. In the past year, the Federal Grain Marketing Agency has made a number of major sales and its current roster of customers includes China, Russia, Japan, Poland, Brazil, Norway, Iraq and Jamaica.

There is also a chance that even more wheat may be sold to the Soviet Union, as recent reports indicate that Russia's 1977 crop may not produce the expected yields.

In sum, Manitoba and Saskatchewan are less well off than they were from 1970, but still faring better than other provinces. Offsetting agricultural decline, Manitoba slowly but steadily expands its manufacturing and services, while Saskatchewan benefits from new oil-uranium developments. Businessmen, noticing a gloom in some quarters, cautioning the region's leaders not to become pessimistic than the "im situation warrants. They out that Manitoba and Saskatchewan agriculture is excellent long-term future, if there are cyclical slumps that time to time. They are even more wheat may be sold to the Soviet Union, as recent reports indicate that Russia's 1977 crop may not produce the expected yields.

In sum, Manitoba and Saskatchewan are less well off

Roger New

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QUEBEC

CANADA XI

Mr. Lévesque runs into trouble

THE PARTI Québécois government, elected just a year ago...

children to English-language schools (in the publicly-financed system) was being extinguished.

sovereignty—now promised for the spring of 1979.

federation of Trade Unions, has severely criticised this measure, arguing that it does not go far enough towards cementing the position of the unions.

The government has kept up a feverish pace of legislation, with Green and White Papers, policy statements and key speeches to help it maintain the formist momentum.

There is increasing concern about the economy and the lack of private-sector manufacturing and construction investment.

Options Stripped of emotion, this means a rearrangement of taxing powers and federal properties in the province, giving Quebec greater policy options.

Business, Anglophone and Francophone. As told the government Bill 45 will simply upset what is left of an equilibrium between "big unions" and the private sector.

Premier René Lévesque and his right-hand man, the Cultural Affairs Minister Mr. Camille Gauthier, used the French language Charter (Bill 101) as their key piece of legislation.

Because of the polls and the anxieties over employment and the economy, the government, once Bill 101 was passed in the autumn, completely dropped terms such as independence and separation, stressing instead "sovereignty-association" and the possibility of negotiating a new type of confederation with Ottawa.

That of course is the real problem, Ottawa replies that if that taxing power is "given away," then the federal Government would be phasing itself out and separation of Quebec would come about de facto.

After one year in office, it can be said that Mr. Lévesque has established his government of reform, has forced through the language legislation, and is now sensibly trying to reduce the tension between English and French in Montreal.

Uncertainty

But Bill 101 has contributed to widespread uncertainty, accentuating the effects of the median recession on the Quebec economy, and earning fiercer resentment from the business community, both English and French speaking.

He made his first move on the international scene soon after the election with a visit to New York last January. He went because Quebec cannot finance the \$1.6bn. James Bay hydro-electric project, and much of its social capital, without the New York long-term bond market.

The language legislation was finally passed in the autumn with little change. The Government is more interested in furthering the economic position of Francophones in Montreal than in the primacy of the French language.

He is obviously trying to respond to the strong desires of both groups for politicians to bring forward a "third option" that would be credible, would modify the status and yet avoid the extreme of separation. That may well be the next step in the drama.

Social measures put into effect or in the making have often been criticised for tending to concentrate more power in the hands of the bureaucracy of the Parti Québécois.

However, this appeal to anti-colonialist sentiment in the U.S. did not go down well. Leaving the burden of establishing his government's financial credibility on the shoulders of the Finance Minister, Mr. Jacques Parizeau, and the senior officials of Hydro-Québec, the provincial power utility, The Americans at the time were openly concerned that a "socialist" type society might emerge on the border of New York State—and one possibly wanting to opt out of North American defence arrangements.

Jobs and economic power have always been key issues among Francophones. Even now, Mr. Lévesque speaks of the need for French-speaking Canadians to "prove their competency" by taking over control of Asbestos Corporation and running it better than the Americans.

R. G. Gibbens Montreal Correspondent

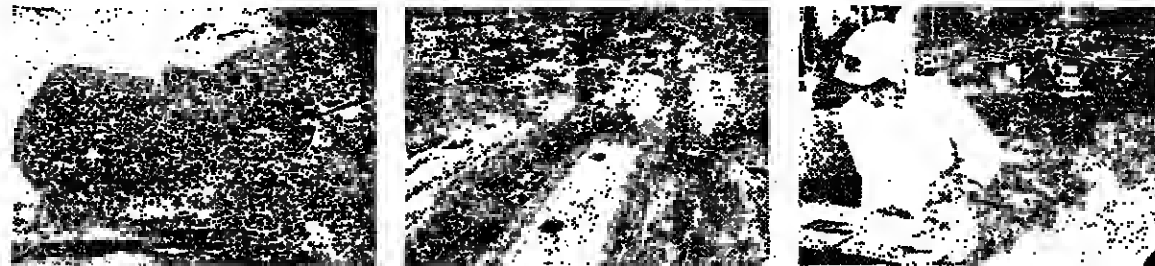
Mr. Parizeau's orthodox and restrictive May budget helped allay those fears. But Hydro-Québec's borrowing programme had to be trimmed, and because of some resistance in the New York bond market, Hydro had more than usual recourse to the European markets this year.

There has been no successor to the \$1bn. Hydro private placement of January 1976.

The Labour Code amendments have taken on a new dimension. The Government billed them as a means of reducing the strikes and violence which have plagued the economy for the last three years. The main objective, though, was to bargain for smooth negotiations between the government and the Quebec Federatin of Labour, which represents around 500,000 workers in the public and parapublic sectors.

Bill 101 was not a really new issue among the mass of Francophones. Few regretted the right to send their

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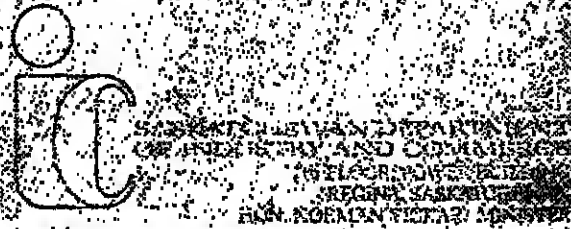
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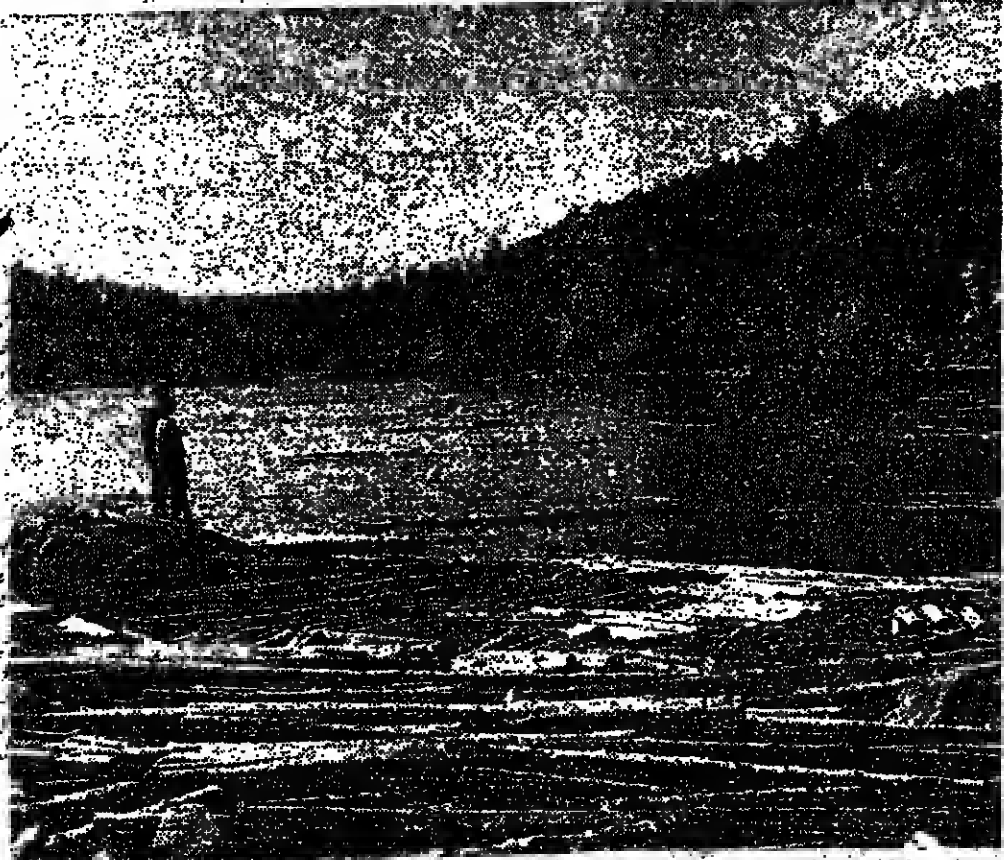
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View of the Gatineau River, Quebec, well known as a logging route. Logs are floated hundreds of miles to paper mills at Hull near Ottawa.



Opportunities abound in

# Alberta

## Canada's growing free-enterprise province

### Strong, Expanding Economy

The per capita Gross Domestic Product of Alberta is the highest in Canada - \$11,103 in 1976. And the province anticipates even greater economic growth in the future. Alberta is destined to play an ever more dominant role in the Canadian economy in the months and years ahead.

### Good Investment Climate

Alberta continues to enjoy a stable political and social climate. The province's labour relations have traditionally been excellent and will undoubtedly continue to remain so. These factors have helped attract countless new commercial and industrial developments to the province. Indicative of this is the fact that investment intentions for 1977 are estimated to be \$8.7 billion, almost 13% from 1976.

### Energy Rich

Alberta possesses abundant supplies of hydro-electric power, coal, and conventional oil and gas reserves. In addition, the province has the Alberta Oil Sands - estimated to contain recoverable reserves of over 300 billion barrels of oil. The \$2.4 billion Syncrude oil extraction plant on the Sands will go into production, on schedule, in June of 1978. It will join Great Canadian Oil Sands, in operation since 1967, in producing oil from the world's largest known oil deposit.

### Diversified Economic Base

As well as a strong oil and gas industry, Alberta has a growing manufacturing, agricultural and petrochemical industry which will attract additional industries to the province.

Due to come on stream, on schedule, in the summer of 1979, is a \$1.5 billion ethylene-based petrochemical complex. This project involves 9 major plants and will provide new opportunities for downstream secondary manufacturing.

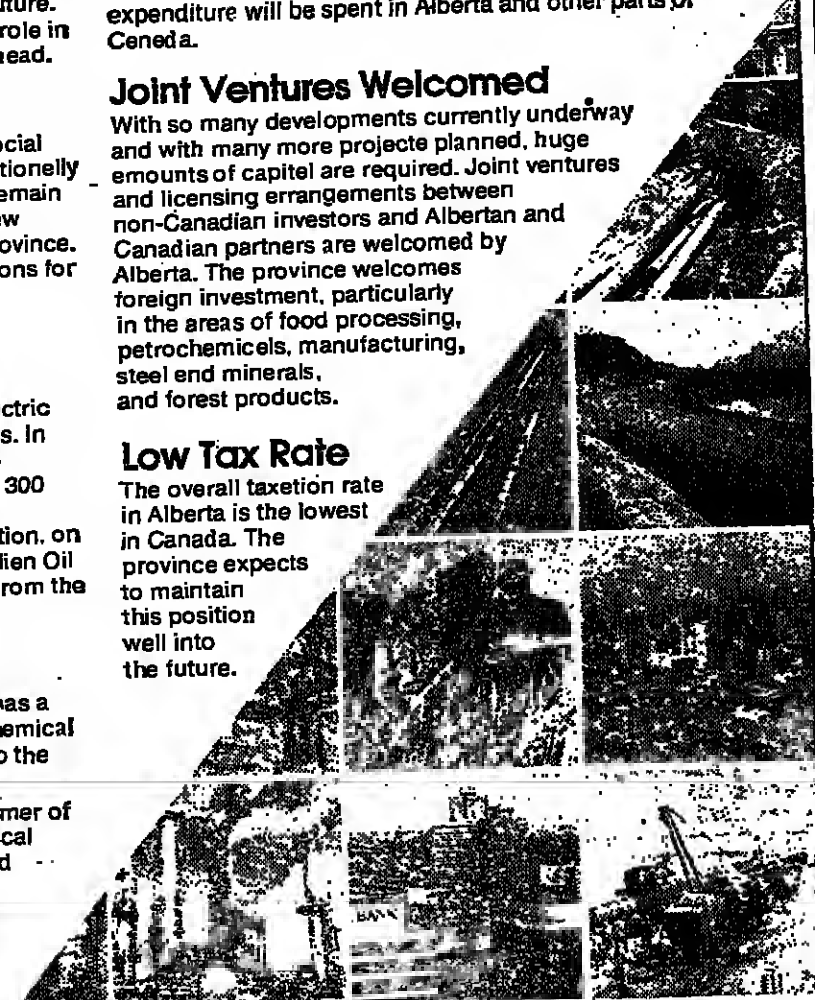
The \$10 billion northern pipeline project to carry Alaskan natural gas to the American mainland will have a tremendous impact on the economies of Alberta and the rest of Canada. Some \$7 to \$8 billion of the total expenditure will be spent in Alberta and other parts of Canada.

### Joint Ventures Welcomed

With so many developments currently underway and with many more projects planned, huge amounts of capital are required. Joint ventures and licensing arrangements between non-Canadian investors and Albertan and Canadian partners are welcomed by Alberta. The province welcomes foreign investment, particularly in the areas of food processing, petrochemicals, manufacturing, steel end minerals, and forest products.

### Low Tax Rate

The overall taxation rate in Alberta is the lowest in Canada. The province expects to maintain this position well into the future.



## Alberta

GOVERNMENT OF ALBERTA

To learn more about investment opportunities offered by Alberta, please contact: Director, European Operations, Business Development Division, Alberta House, 37 Hill Street, LONDON W.1, ENGLAND. Phone: 01-499-3061 Telex: 23-461 AGALTAG.

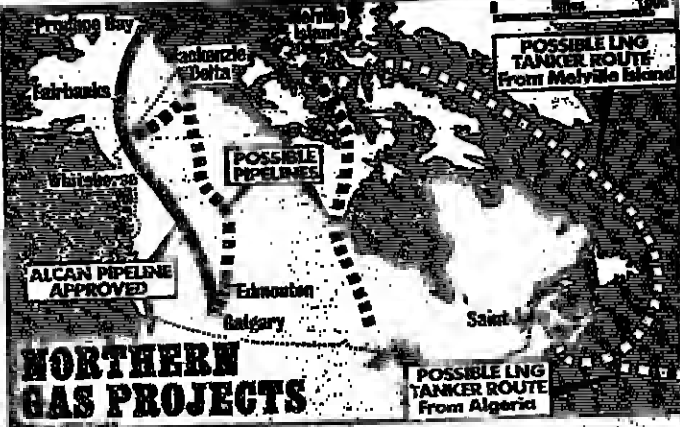
## CANADA XII



# Powerhouse of the nation

THE PROVINCE of Alberta, as has been true for several years, continues to thrive as an island of prosperity in a world of stagnation and inflation. It has profited from a major shift westward of Canadian economic and political power—a shift that has been going on all through the 1970s.

This was noted in a speech last autumn by Mr. W. H. Hopper, the President of the Canadian Government's new State oil and gas company, Petro-Canada, which set up headquarters in Calgary two years ago. Mr. Hopper noted that the traditional complaint of Western Canada has been that the central provinces of Ontario and Quebec enjoyed more than their fair share of economic power and political influence.



Alberta Gas Trunk Line not only won the battle for the Alcan pipeline from Alaska; it is also among the sponsors for proposals to bring gas south from Melville Island by pipeline and LNG tanker.

for Albertans, though one... word for them is condominium... multiple-dwelling complex... of row houses or apartments... can be purchased... as hold flats are sold in London... Prices for this form of housing... just beginning to catch on... start as low as \$30,000 for... two or three rooms... depending on location... They can also be found... such as \$150,000 each in... locations.

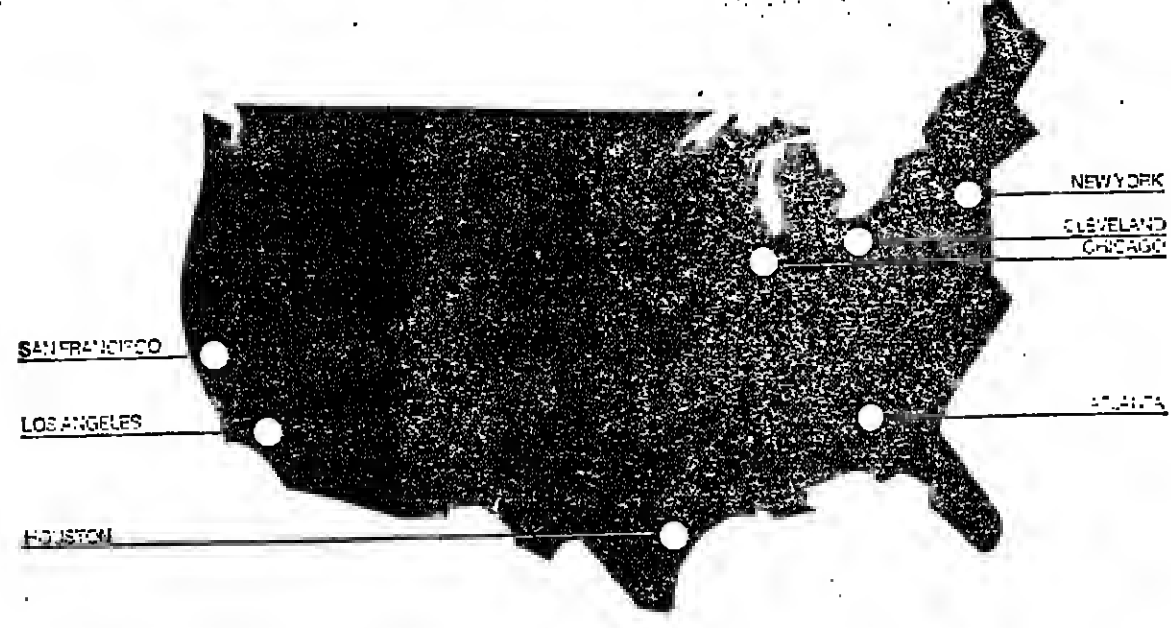
Though the unemployment ratio is usually 3 per cent... below national average... can be seen in both... Edmonton. They consist... entirely of young men... 30, usually from outside... province. They have... newspaper or heard on radio... television about the... boom and headed here to... piece of the action.

Employment is likely to... time to pre-empt problem... the foreseeable future,... could arise in the... of the various gigantic... other than the pipeline... in hand or in store, all... related to oil or gas. The... in hand is at the Syncrude... near Fort McMurray... plant is under construction... extract oil from the... sands—one of the... largest reserves of hydrocarbons... but also one of the most... stive.

At its peak, construction... 7,500 jobs on the... and another 700 in Edmonton... But the plant is to... stream next year and to... full capacity of 125,000... day in 1979. It will then... employment for some... people only—but the... building to operating... will still be a good deal... favourable than in... oil fields. That should... Alberta a growth... higher than has usually... experienced by the... especially so since other... schemes with a similar... are on the way both in... and on the heavy oil... Cold Lake.

Don Pea

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مكاتبنا في



# The problems of Government and firemen

BY ALAN PIKE, Labour Correspondent

More than 24... after the first ever... firemen's strike began... a group of men left their... to help control a... at an East London hospital... one of emergency relief for... nurses and their elderly... it for Ministers, in spite of... satisfaction that a possible... had been averted, it... have raised the suspicion... the Government's strategy... facing the strike was not... fireproof.

to strike, which enters its... and weeks to-day, abundant... in quality. There can... been few recent stoppages... the strikers have so little... for the action they are... Even as they moved onto... fire stations and on to the... lines, many men could... not believe that the strike... actually going to happen... after a week most of them... still wrestling with their... dilemmas.

lot of firemen undoubtedly... that there would be a... minute settlement which... prevented the strike and its... likely disastrous conse-... quences. Ministers, however... determined that there... be no surrender to a de-... line which would breach the... 10 per cent pay guidelines in... public sector and they pre-... pared to ride out the strike... as weapons which they... used to mobilise against the... were 10,000 troops in a... of elderly Civil Defence... in Goddesses—and the for-... mable opinion. At the end of... first week the former is... signs of exhaustion and... latter of possibly being a... prudent miscalculation.

became clear, as the Govern-... ment made no move inter-... in the negotiations between... Fire Brigades Union and... local authority employers in... days leading up to the... that Ministers believed... opinion would quickly... against the firemen, forcing



Mr. Rees, the Home Secretary.



Marshal of the RAF, Sir Neil Cameron, Chief of the Defence Staff, at the head of a naval fire-fighting crew training for duty in the firemen's strike.

the 10 per cent guidelines... showed that 80 per cent of... sample believed that the police... whose pay grievances are... settled for the present—should... be made a special case.

The opinion of firemen after... a week on the picket lines... that the public identify them... far more closely with the... than with allegedly "selfish"... groups like the miners. Thousands of signatures on petitions... and sums of money have... been collected outside fire... stations during the past week... The firemen say that they have... received widespread messages of... support from both individuals... and other unions.

The Government's belief that... there would be immediate public... hostility towards the firemen... receiving another setback when... it became apparent early in... the strike that many men were... prepared to break their own picket... lines if they could help to save... lives.

It is, of course, possible that... at any time a fire disaster could... still swing public opinion vio-

lently against the strikers, if in... fact it is a present in favour... of them, as the firemen believe... But the men hope that their... previously good industrial relations... record, their reluctance to... be on strike and the conscientious... efforts of some firemen to... mitigate the worst effects of... their own action have won the... battle for public sympathy. They... cautiously believe that the... consequences of the strike may... now be more likely to be identi-... fied in the public mind with... Government intransigence than... with firemen's callousness. And... they are now busily trying to... persuade the public that the... claim for which they are striking... is a reasonable one.

The full impact of what they... are trying to do—to break the... Government's rigid determina-... tion to see that public sector... pay settlements are held within... the guidelines—is almost cer-... tainly not appreciated by many... of the strikers. Such a prospect... might daunt workers with more... experience of using the strike... weapon, but the tank-and-tie

firemen newcomers to industrial... action, do not see their case in... those terms. Ministers thus find themselves... in the position of defending... their pay guidelines not against... men who are mounting a deter-... mined political attack—as mil-...itants in, for instance, the... National Union of Mineworkers... would be prepared to do—but... against a group who speak... about "points of principle" and... a "genuine sense of grievance."

While the FBU has a share of... Trotskyists and other far-Left-... ists among its ranks who are... committed to overthrowing the... Government's pay policy, most... men see the action simply in... fire service terms. In this sense... the decision to strike after... several years' discontent—at a... time which offers the firemen... no hope of an easy victory—is... accidental.

The feeling among firemen... that they are generally under-... valued goes back at least a... decade. Until now the biggest... expression of this discontent... was the 1973 Glasgow strike—

the last time troops and Green... Goddesses took to the streets in... place of firemen—and by 1973... talks in the National Joint... Council for Local Authority... Fire Services on the role of the... firemen were well advanced.

It may have been that these... talks, started in 1974, could... have produced a new pay structure... which would have avoided the... present trouble. However, the... Government's pay policy inter-... vened and an interim report... which sought to evaluate the... wider involvement of firemen... in fire prevention duties was... shelved. The firemen, like other... workers, accepted Phase One... and Phase Two increases and... at the TUC annual Congress... the decision to strike after... several years' discontent—at a... time which offers the firemen... no hope of an easy victory—is... accidental.

Firemen consequently feel... that they have fulfilled their... obligations in the Government... on pay policy. In their own... eyes they have already waited... patiently for at least two years... in spite of the fact that the

police, with whom firemen... frequently work and closely... identify themselves, won a sub-... stantial pay rise in 1975—when... the firemen and most other... workers had to settle for £5... a week.

Earlier this year the job... evaluation study was resumed... and in May the National Joint... Council agreed a detailed com-... posite description of the... qualified fireman's duties. It... then went on to ask how he... should be rewarded and in July... a working group under the in-... dependent chairmanship of Lord... McCarthy was set up to "ex-... amine the firemen's job in re-... lation to other jobs outside the... fire service" in the context of... pay.

The McCarthy Report con-... cluded: "It follows from this... that the most appropriate com-... parison to make is with the... generality of jobs in the com-... munity. Against a broad bench-... mark of this kind, discussion... can take place on any special... features of the qualified fire-... man's job. We therefore recom-... mend that the National Joint... Council should begin early dis-... cussion on this basis."

The Government is there-... fore faced with having to make... fresh calculations. Will the fire-... men, who are receiving no strike... pay, quickly become demoralised?... Or will they, like other men on... strike over a principle, simply... harden their attitudes as time... passes, particularly if they feel... public opinion is with them?... For how long will the troops... enthusiastic but lacking expe-... rience, be able to maintain even... the degree of fire cover pro-... vided during the past week?...

With claims from miners... power workers, railwaymen and... other public sector groups pend-... ing—and with the local... authority manual workers'... claim still not settled—the... Government's determination to... hold the 10 per cent line... against the firemen is easily... understood. A win for the fire-... men would risk a rush of other... special case claims.

Defeat for the firemen, how-... ever, would possibly not have... the salutary effect on claims... elsewhere in the public sector... for which Ministers might hope... At least some public sector... unions would ascribe the defeat... to the firemen's industrial in-... experience, their moral scruples... and the fact that the executive... which is leading the strike was... opposed to it starting. As many... firemen must have remarked in... the aftermath of a fire: "There... are ways in which this might... have been prevented, but that... won't stop it happening again."

The Government has pointed... out that there is a rough com-... parison between the pay of fire-... men and unskilled workers, but... this has merely served to anger

## What the public thinks

Many union leaders, however... believe that the Government... may have taken insufficient... account of the public's ability... to distinguish between the... claims of one group and another... Another Opinion Research... Centre poll, conducted at the... end of last month, while again... demonstrating heavy backing for

the 10 per cent guidelines... showed that 80 per cent of... sample believed that the police... whose pay grievances are... settled for the present—should... be made a special case.

The opinion of firemen after... a week on the picket lines... that the public identify them... far more closely with the... than with allegedly "selfish"... groups like the miners. Thousands of signatures on petitions... and sums of money have... been collected outside fire... stations during the past week... The firemen say that they have... received widespread messages of... support from both individuals... and other unions.

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## Letters to the Editor

**Motor dealers' attitudes**  
A Professor Peter Grinyer... Research at this school... strategies of motor dealers... suggested a further and so... largely ignored dimension in... malaise of the U.K. motor... industry, namely the distribu-... tion of the manufacturers' and... intermediary of forces that these... generated. Although inter-... have been undertaken up... with no more than two dozen... a surprisingly consistent... of unsolicited comment... merged on causes of greater... penetration, and provides... able insight into the opera-... of the market mechanism... central theme of com-... by dealers on foreign... ration is the franchise... of U.K. manufacturers... are two extremes which... in the same direction. At... Ford, with General Motors... ing toward it, which involves... single tier" distribution... n. Only main dealers are... given franchises. The... difficult and often unfair... by which second tier... dealers draw both new... and stocks of spare... their local main dealer has... discontinued. Moreover... "ord" single tier" dealers... restricted to a handful of... cases, although some long... shed main dealers retain... movement to such a single... while possibly pro-... a more rational, fair and... it distribution system, has... that a large number of... often entrepreneurial, and... used second tier" dealers... do to look for other fran-... Given the heavy density... along with U.K. man-... at present operating... system, there has been... to enter as dealers of... produced vehicles, and... many of these small men... need to imported cars as... means of survival. Mr... sh Leyland, by contrast... ituted a two tier system... dilemma, however, have... rable. Among companies... to date British Leyland... the least suc-... cessfully successful. Comments... made by dealers about... lure of British Leyland... localise its distribution... or indeed its product... following the mergers... which it grew. Thus... Austin, Jaguar, Rover... dealers largely retained... saleships, with resultant... overlapping in often... ly small local markets... the other factory men-... now this has frequently... d dealers' incomes, and... to an exodus to take up... es in foreign cars. This... course, he viewed as the... of market forces in... ne the distribution... but it is often the more... who opt out. They may... mained with British Ley-... ad multiple franchises... cessible but the manu-... requires that the dealer... who have built a career... of 50 miles of any par-... local franchise with the... adverse effects of these... were exacerbated, accord-... dealers interviewed, by... and stocking policies... by the U.K. manu-... In contrast to foreign... turers, who were per-... to be marketing a small... dily available range of... Irish Leyland and Ford... to carry an excessive... Popular models were... available, and pressure... ight to bear by the

ing that the response to stock... by all personnel so approached... was distinctly negative. In... in my own case I am 53 and... have been some 23 years with... this group. I would have lost the... use of a company car, and fringe... benefits, my salary for some... 6 years adjusted by yearly re-... views, and the opportunity to... receive a pension now geared to... my final salary. On the other... hand my mortgage remains, my... daughter will still have to be... educated for at least another... two years, and my other family... expenditure has still to be met... On top of this how many com-... panies advertise for staff over... the early 40s? Oh, and don't for-... get by the time the car has been... replaced nearly all of that "tidy... sum" has gone.

It should not be necessary in... a paper such as yours to spell out... to readers how much one can... pany can save on myself alone... but certainly it would be well... into six figures over the period... of time involved.

I do not oppose the right of... any company to reorganise its... resources, when absolutely ne-... cessary, but certainly when... alterations remain, but certainly... when companies of this calibre... feel that staff reductions are... necessary, hearing in mind the... financial savings made and the... social implications of such... decisions, they should not... more generous. The other effect... would be to make such adjust-... ments of staff numbers easier to... achieve, and more acceptable... generally.

In my case I was subsequently... offered two positions inferior to... my present one, both of which... required a house move, or early... severance.

K. E. Harrison... Worcester Road, Dronfield.

**Cost of solar heating**  
From the Chairman, the Energy... Sub-Committee, Corporation of... London.  
Sir,—Comments from your... correspondent Mr. Robert Jones... (Cost of solar heating, November... 17) are evidently based on mis-... understandings of your report... of November 12 from which he... quotes.

Your report was quite accurate... in saying that the City of Lon-... don Corporation had made a... study of the possibilities of in-... stallation solar panels at its de-... velopment in Coscor Street, Lambeth. Your report made no... suggestion that panels had been... tried as indicated by Mr. Jones... The study showed that the cost... of ten units, not one unit as in-... dicated by Mr. Jones, would be... some £5,000 and that the pay-... back period would be approxi-... mately twenty-five years. It was... on this basis that the Corpora-... tion decided not to go ahead... with the installation of units... but to keep the whole subject of... solar power under review.

High Olson... Members' Room, Guildhall, E.C.2.

**Large fortunes still possible**  
From Mr. R. Holland.  
Sir,—Mr. All Gooding's thriv-... ing business (November 15) should... legitimately be able to ac-... quire through the "directors'... kitchen" beer at normal prices... Mrs. Gooding's hairdo could be... described as a "miscellaneous"... expense, and the so-called £10,000... suit could be described as "work-... ing overalls." Since these costs... would reduce profits by an... equivalent amount, corporation

## To-day's Events

**GENERAL**  
International Monetary Fund... team talks with Treasury on... general prospects for U.K. economy... and possible early repayment... of part of its outstanding... debts to the Fund.  
TUC-Labour Party Liaison Com-... mittee meets.  
EEC Finance Ministers meet... Brussels.  
EEC Foreign Ministers begin... two-day meeting, Brussels.  
Mr. Eric Varley, Industry Sec-... retary, expected to sign contract... worth £15m. for sale of 24 ships... in Poland.  
Hartleywood interest rate cut to... 14 per cent a month.

**Electrical, Electronic, Telecom-... munication and Plumbing Union... conference opens, Blackpool.**  
Geogra negotiations continue... on proposed fund to stabilise... commodity prices.  
London Chamber of Commerce... trade mission in Hong Kong... following visit to Japan.  
Royal Automobile Club holds... extraordinary general meeting on... its financial situation.  
The Queen and Duke of Edin-... burgh attend Silver Jubilee Royal... Variety Gala, London Palladium... W.1.

**Air Commodore Sir Peter Van-... neck, Lord Mayor of London, and... his Sheriffs attend annual dinner... of Royal Air Force Reserves Club... Grosvenor House, W.1.**  
**PARLIAMENTARY BUSINESS**  
House of Commons: Debates on... industrial tribunals and on trans-... port policy.  
**OFFICIAL STATISTICS**  
Turnover of motor trades 1976... quarter.  
**COMPANY MEETINGS**  
See Week's Financial Diary on... page 28.

**OPERA**  
Royal Opera production of... Lohengrin, Covent Garden, W.C.2... 6 p.m.  
**MUSIC**  
Jeremy Brown gives piano... recital of works by Beethoven and... Brahms, St. Lawrence Jewry next... Guildhall, E.C.2, 1 p.m.  
Czech Philharmonic Orchestra... conductor Zdenek Kosler, soloist... John Lill (piano), perform... Smetana overture, The Bartered... Bride; Beethoven (Piano Con-... certo No. 3 in C minor); and... Dvorak (Symphony No. 7 in F... minor), Royal Festival Hall, S.E.1... 8 p.m.

## A very real figure

From Mr. W. Dingwall.  
Sir,—Mr. Scott's comment... (November 16) on the cost of a... wife's hair-do vividly illustrates... what is wrong with the economic... situation of this country. He... makes the assumption that a... chairman of a company has no... investment income, even from... shares in the company which he... presides. The patriotic... duty, emphasised alike by the... Government and Jack Jones, to... invest in industry to help reduce... employment is apparently no... longer there. For someone in... these past who has invested... patriotically it can assure Mr... Scott that 80 per cent. is a very... real figure.

Walter Dingwall... The White House, Woodmanscote near Henfield.

**The pensions dilemma**  
From Mr. C. Smith.  
Sir,—The article by Eric Short... (November 11) regarding the... pensions dilemma and the need... for a decision concerning con-... tracting in or out of the new... state scheme is particularly... valuable.

There is, however, one point... which may be somewhat mislead-... ing. This concerns the contribu-... tions to a contracted out arrange-... ment, where it states that the... overall contribution level is re-... duced by 7 per cent. It should be... understood that this reduction... applies only to earnings above... the lower earnings limit, below... which standard contributions are... payable. You will find that the... overall contributions level is re-... duced by almost 6 per cent, for... those people with earnings... matching the upper earnings... limit, with a reducing overall... saving as one descends to the... lower earnings limit, at which... point there is no cover at all... While in practice there must... surely be few people who will be... contracted out with earnings... matching the lower earnings... limit, it should be made clear to... such readers contracting out and... expecting to receive an overall... 7 per cent. reduction in their... contributions that they will be... sadly disappointed.

C. J. Smith... Pearl Assurance House, Queen's Square, Bristol.

## Bank of Boston

**If banking is a service business, then it should be on service that you judge a bank.**

We've spent 55 years in the City, building an organisation to cater for the toughest judge of all: the financial professional.

That's why The First National Bank of Boston's 15 account officers prefer long instead of short-term relationships. Why, on average, they stay with their accounts longer than their counterparts at other banks.

Why we have on exchange specialist based on the dealing floor devoted exclusively to keeping corporate customers abreast of developments.

Why our two hundred people in London aim at the highest standards if you give the best service, you've got the best bank. And it works.

Our twelve dealers have put us among the top banks in making markets in all major trading currencies.

And six out of the top ten companies in the prestigious 'The Times One Thousand' are our customers.

Do you put a premium on service too? We look forward to meeting you.

**Boston. The bank for financial professionals.**

Bank of Boston House, 5 Cheapside, E.C.2.

THE FIRST NATIONAL BANK OF BOSTON

Bank of Boston House, 5 Cheapside, London EC2P 2DE (Tel: 01-236 2388). Also at: 31 Lombard Street, Belgrade, London SW1K 9HX (Tel: 01-235 9541). ARGENTINA, AUSTRALIA, BAHAMAS, BOLIVIA, BRAZIL, CHANNEL ISLANDS, COSTA RICA, DOMINICAN REPUBLIC, FRANCE, GERMANY, HAITI, HONG KONG, IRAN, JAPAN, LEBANON, LUXEMBOURG, MEXICO, PANAMA, SINGAPORE, SPAIN, U.K., U.S.A., URUGUAY, VENEZUELA.



COMPANY NOTICES

HILL SAMUEL OVERSEAS FUND S.A.

Societas Anonyma
Head Office: Luxembourg, 37, rue Victor-Dame
Trade Register: Luxembourg, B 8422

Notice of Meeting

Holders of Shares are hereby convened to attend the Statutory General Meeting which is to be held on December 9th, 1977 at 2.30 p.m. at the head office, with the following agenda:

Agenda

- 1. Submission of the reports of the Board of Directors and of the Statutory Auditor.
2. Approval of the Balance Sheet and the Profit and Loss Statement and appropriation of the results as at 30th September, 1977.
3. Discharge of the Directors and of the Statutory Auditor for the proper performance of their duties for the period ended 30th September, 1977.
4. Revision of the articles of association for election of Directors and of the Statutory Auditor.
5. Any other business.

There is no quorum requirement for the Annual General Meeting and the resolutions will be passed at a simple majority of the shares present or represented.

Holders of Shares whose names are on the register at the time of the meeting may vote by proxy by completing a proxy form which will be made available to them against deposit of their share certificates at one of Hill Samuel Overseas Fund's paying agents.

The Board of Directors.

APPOINTMENTS

GKN appoints welding technology director

Dr. A. A. Smith has been appointed director of technology of the company from November 1. Mr. David Marz, has been elected to the Board. Mr. Ralph Bendish, of International Refining Company, has been appointed to the Board of INTERNATIONAL METALS AND ORES.

Mr. Julian Darley is to be managing director of STRONGWORK DIVING (INTERNATIONAL) from December. He succeeds Mr. Nick Hartley.

BRYANT HOLDINGS has made the following appointments. Mr. Roy Leslie Killick has been appointed a director of Bryant Homes and Associated Companies.

Mr. Brian Hewitt, Fellow of the Institute of Building, has been appointed managing director of DAVIS ESTATES, the house building division of the Wood Hall Building Group, part of the Wood Hall Trust.

Mr. Harry Knopp has been appointed marketing director of SATRA MOTORS the sole U.K. concessionaire for Lada cars.

Mr. Brian Hewitt, Fellow of the Institute of Building, has been appointed managing director of DAVIS ESTATES, the house building division of the Wood Hall Building Group, part of the Wood Hall Trust.

HOME CONTRACTS

£1m. TriStar galley order

W. H. HENSHALL AND SON, the Landfall Automatic Vehicle Location System. The laboratories, which provide research facilities for the entire GEC-Marconi Electronics group, are to install a Landfall system for the Metro-nalco Police cars in 1978.

Landfall (Links and Nodes Database for Automatic Landvehicle Location) enables a control centre to monitor the position and status of a large number of vehicles which each compute their own location and relay this information to the centre by means of a two-way mobile radio.

A major police contract and development agreement, together worth over £1m., have been awarded to the MARCONI RESEARCH LABORATORIES for

Businessman's Diary

U.K. TRADE FAIRS AND EXHIBITIONS

Table with columns: Date, Title, Venue. Includes events like Int. Building and Construction Exbn. (Nov. 23-25), Int. Exhibition and Conference (Nov. 23-25), Assoc. of Industrial Development Officers Exbn. (Nov. 23-25).

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Table with columns: Date, Title, Venue. Includes events like Electronics Prod. Exbn. and Congress (Nov. 22-26), International Trade Fair for Textiles (Nov. 22-26), Industrial Safety & Factory Hygiene Exbn. (Nov. 24-26).

BUSINESS AND MANAGEMENT CONFERENCE

Table with columns: Date, Title, Venue. Includes events like Clothing Institute: The Consumer & the Clothing Industry (Nov. 23-24), Oyez-IBC: Euro-Arab Technology Transfer (Nov. 23-24), Oyez-IBC: Euro-Arab Technology Transfer (Nov. 23-24).

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends could be interim or final.

Table with columns: COMPANY TODAY, BOARD MEETINGS, DIVIDEND & INTEREST PAYMENTS, COMPANY MEETINGS, BOARD MEETINGS, DIVIDEND & INTEREST PAYMENTS.

NOTICE OF REDEMPTION

EUROPEAN COAL AND STEEL COMMUNITY DEPOSITARY COMPANY (S.A.) 1975-1999. The Commission of the European Communities has announced that it has resolved to increase the Company's issued share capital by the amount of 5,000,000,000 francs.

Numbers of bonds selected by the Commission to be redeemed are: 85713 to 85812 inclusive. The bonds selected for redemption will be those which are available to the Commission on the date of the redemption.

KOMATSU FORKLIFT CO. LTD. (CDR)

Referring to its advertisement of July 7, 1977 the undersigned announces that they have sold the deposited property of the still outstanding div. of the CDRs Komatsu Forklift Co. Ltd. The proceeds hereof will be payable in cash as from 28.11.1977 being \$223.04 per div. of the CDRs.

ITO-YOKADO CO. LTD. (CDR)

Referring to its advertisement of July 19, 1977 the undersigned announces that they have sold the deposited property of the still outstanding div. of the CDRs Ito-Yokado Co. Ltd. The proceeds hereof will be payable in cash as from 28.11.1977 being \$17.77 per div. of the CDRs.

CLUBS

EVERETT, Robert Street, 724 0557. A list of all the members of the club is available on request.

When a careless 30 minutes could mean a costly 12 months electricity bill, you need Ferranti Digicon. The Ferranti Digicon Maximum Demand Monitor enables you to make the best use of the energy available in each half hour demand period, with automatic load control if needed.

This week in Parliament

Table with columns: TO-DAY, WEDNESDAY, THURSDAY, FRIDAY. Includes Commons - Debate until 7 p.m. on industrial tribunal, Lords - Scotland Bill, Commons - Debate until 7 p.m. on industrial tribunal.

\$250,000,000 General Motors Acceptance Corporation 8 3/4% Debentures Due November 15, 2006. Interest payable May 15 and November 15. MORGAN STANLEY & CO. Inc.

12,000,000 Shares American Telephone and Telegraph Company Common Shares. MORGAN STANLEY & CO. Inc. MERRILL LYNCH, PIERCE, FENNER & SMITH. SALOMON BROTHERS.



**COMPAGNIE FRANCAISE DE L'AFRIQUE OCCIDENTALE**

The results of the Company for the six-month period ending 30th June 1977 show a profit of Frs.18.2 million, an increase of 11.58% over the same period of last year.

At Group level the consolidated results, which for the first time have been on the first half of the calendar year as a result cannot be compared with the same period of 76, show the following figures (expressed in millions of francs):

Net results (Group Frs.64.5, Interests outside Group Frs.5.8)	71.3
Profit (Group Frs.743.4, Interests outside Group Frs.120.0)	863.4
Investments	97.4

It must be noted that following the sale earlier this year to Nigerian investors of a further 20% of the capital of CFAO (Nigeria) Ltd, the figures of this Company are longer included in the consolidated Group accounts. About this change Group turnover would have amounted Frs.3,601,796 million.

The quoted price of the Company's shares on the Paris stock market fell in value by some 23% between 31st October last and mid summer, 1977. During that period are transactions on the Paris market were running at a third half of the volume registered during the same period a year earlier. However, with the eventual return to active trading, the Company's shares recovered more than half of this depreciation.

The Group's policy of consolidation and expansion continues. It is to be especially noted that a further five branches of the "SODIM" chain of supermarkets were opened during the period January/September 1977 and that other developments will take place before the end of the year.

Unless unforeseen circumstances intervene, the final results for the 1977 financial year are expected to be favourable.

**ANYO ELECTRIC CO. LTD.**

holders of Curacao Depository Receipts a limited number of sets of the semi-annual report for the six month period ended 31, 1977, of the above-mentioned company are available at:—

The Sumitomo Bank, Limited,  
5, Moorgate, London EC2R 6HU;

Bank Mees & Hope NV,  
Pelzerstrasse 2, Hamburg

Banque de l'Union Européenne,  
4, rue Gallien, Paris 2e;

Morgan Guaranty Trust Company of N.Y.,  
23 Wall Street, New York, NY 10015;

Bank Mees & Hope NV,  
Herengracht 548, Amsterdam

November, 1977,

**The Bank of Tokyo, Ltd.**  
J.S. \$40,000,000 Floating Rate  
Notes Due 1980

For the six months  
November 21st, 1977 to May 22nd, 1978  
the Notes will carry an  
interest rate of 8% per annum.

Listed on the Luxembourg Stock Exchange.  
By: Morgan Guaranty Trust Company of New York, London Agent Bank

**BOURNEMOUTH CORPORATION**  
£5 million

**% Redeemable Stock 1977/78**

The above stock will be redeemed by Bournemouth Borough Council on 22nd February, 1978

Letters have been sent to all stockholders to that effect

**LOCAL AUTHORITY BOND TABLE**

Authority (telephone number in parentheses)	Annual gross interest payable %	Interest payable	Minimum sum	Life of bond
London (0268 22881)	10 1/4	£-year	10,000	7-10
London (0268 22881)	9 1/2	£-year	3,000	4-6
London (0268 22881)	9	£-year	3,000	2
Wales (051 548 6545)	9 1/2	£-year	1,000	4-7
Wales (01-478 30201)	9 1/2	£-year	200	4-7
Wales (0875 5122)	9 1/2	£-year	300	4
Wales (0875 5122)	10	£-year	300	5-7

**FINANCE FOR INDUSTRY TERM DEPOSITS**

Sum of £1,000-£25,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits fixed not later than 2.12.77.

Term (years)	3	4	5	6	7	8	9	10
Rate %	8 1/2	9 1/2	9 1/2	10	10 1/2	10 1/2	10 1/2	11

For larger amounts on request. Deposits to add further option from The Chief Cashier, Finance for Industry Dept., 91 Waterloo Road, London SE1 8XP (01-928 7822, 177). Cheques payable to "Bank of England a/c FFI." The holding company for ICFC and FCI.

**Erard who?** We sell pens and pensions. Frozen foods and 'Unfreezers'. Rig decks and olive oil. People who recruit people, insulate houses, build body armour, and foreign banks in the City, advertise the act through us. They seem to thrive on it. Perhaps we can help you, too?

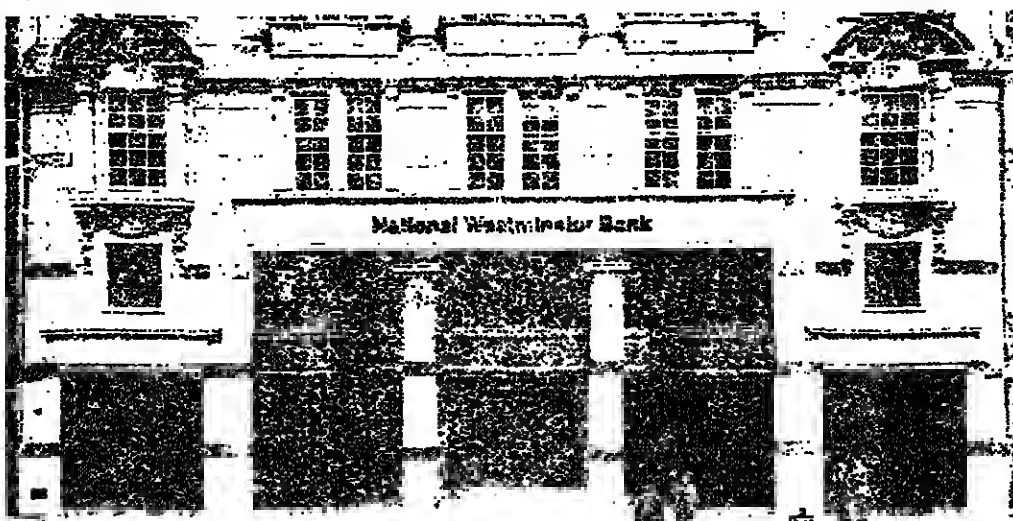
Erard Fox & Partners Ltd,  
11 Gt. St. Paul, London WC2P 7SP. Telephone: 01-727 3141.

**Why the big four are heading north**

IN ITS first day of business just over a week ago the new Aberdeen branch of the National Westminster Bank opened 20 accounts. The branch, in a city which enjoys the prosperity brought by North Sea oil, has a good chance of repeating the success which the bank found with its initial ventures in Scotland two years ago, in Edinburgh and Glasgow. The move has been or is being followed by the rest of the big four London clearing banks in a development which marks a major change in the structure of banking in the U.K.

The expansion of the London banks north of the border is in marked contrast with the trend elsewhere in the U.K. towards cutbacks and restructuring of the branch networks. This is underlined by Barclays' decision to review up to 600 of its branches. The expansion is taking place, moreover, in a country which has traditionally been regarded as among the most heavily banked and therefore one with less scope for new entrants.

The development is also of very recent origin. For many years the London clearing banks in their own names had kept out of Scotland, where the local banks maintained a strongly independent approach to their business. It appeared that there was some kind of understanding that the London banks would not poach on the territory of their Scottish colleagues. This inhibition was



National Westminster's Edinburgh branch and Scottish head office.

strengthened in the case of three of the English banks by their links with the Scottish banks. Midland owns the Clydesdale, Barclays has a 35 per cent stake in Bank of Scotland and Lloyds has links with the third Scottish bank, Royal Bank of Scotland.

For these banks, their connections provided them with a service in Scotland without the need to open their own branches, and until quite recently there was little incentive for them to consider expanding there.

Undoubtedly one of the main factors in the new departure was the buoyancy brought by the development of oil. The Scottish banking business—also less affected than the London banks by the aftermath of the property and secondary banking boom—enjoyed an unaccustomed period of growth as a result of the new wealth and this made the country look increasingly attractive.

The lure of the greater domestic prosperity was enhanced by the prospect of developing new corporate business, both through providing services for existing customers and through activities arising directly from North Sea oil operations. NatWest has drawn attention to the efforts it has put into building up its financial support for oil activities, and the logic of providing a service on the spot.

To provide a further spur there has been the competitive factor

of the growing presence of American and other international banks in Scotland, fighting for a slice of the action in the expanding international banking market there.

The corporate business moving into Edinburgh in January next year. And Midland, perhaps most unhesitatingly, has this month opened a representative office in Edinburgh with the purpose of servicing the trade and business requirements of its corporate customers and with new private customers.

its international and corporate branch would be "complementary" and underlined the oil connection by opening its offices in Aberdeen and in Houston, Texas, at the same time.

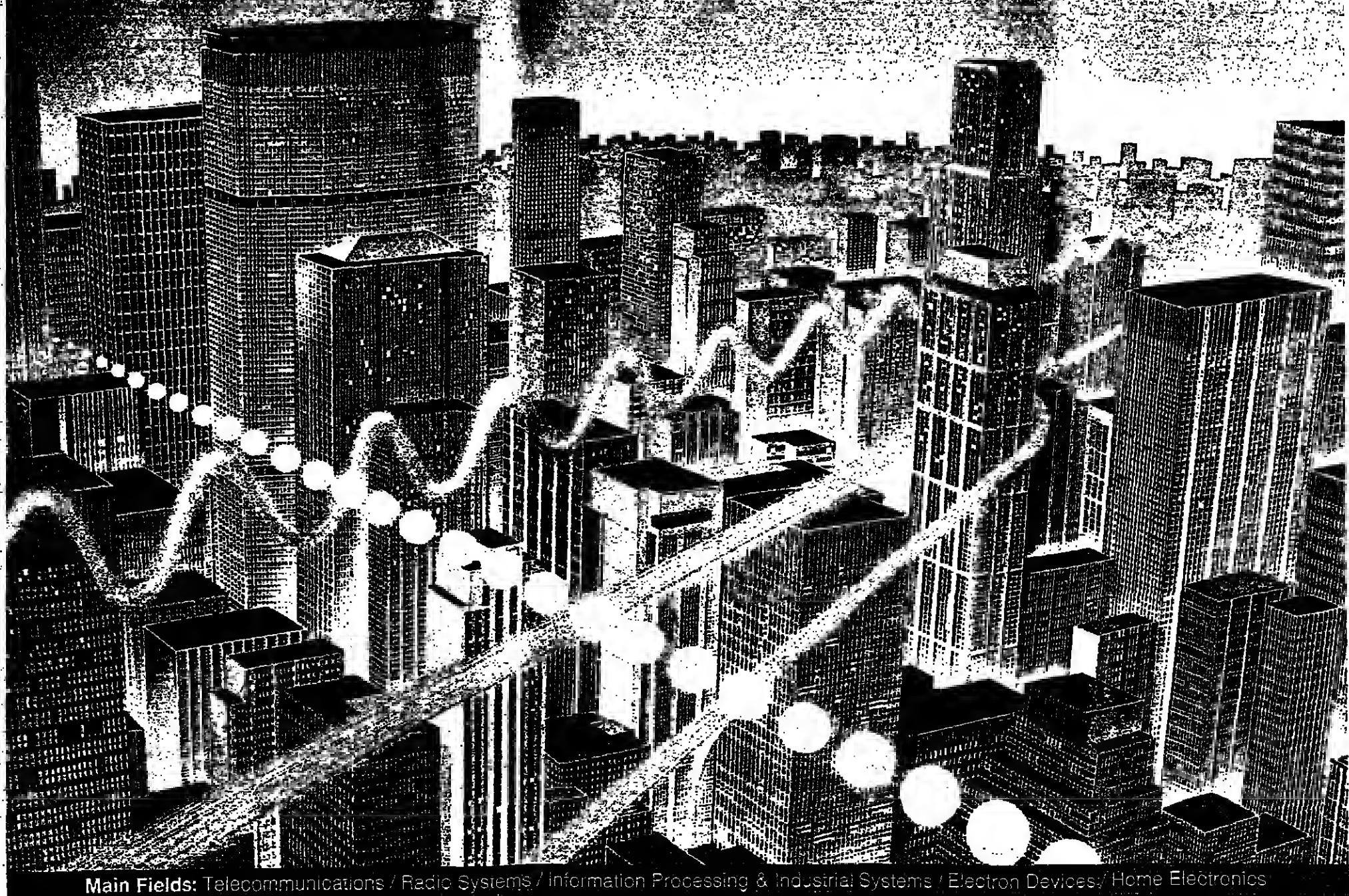
Lloyds has laid plans for more than pleased with the new competition coming from the London banks. NatWest's experience certainly suggests that, Scots in numbers of branches, particularly where there are no inhibitions about competing with an associate or a subsidiary in Scotland, it is quite possible for a newcomer not only to expand its business with its own customers and with new corporate customers, but also to attract local

of making a positive contribution to the group's income, with the advantages of being centrally sited and of being in the same building as the group's overall Scottish office and its international banking representatives. Glasgow, opened at the same time in November 1975, has been rather slower to develop—the branch is rather less centrally placed but nevertheless still suitable for the main purpose of developing corporate business.

NatWest says it has found certain advantages in attracting domestic business in Scotland. One very obvious point is that, unlike the Scottish banks, their branches remain open at lunch-time. Another, they maintain, is that they are more willing than their Scottish counterparts to go out and look for business, particularly to the corporate sector.

It is, they say, a long and patient operation to attract local customers, but one which is starting to pay off. The competition coming from the London banks, it is clear, will never attempt to compete with NatWest in numbers of branches, particularly where there are no inhibitions about competing with an associate or a subsidiary in Scotland, it is quite possible for a newcomer not only to expand its business with its own customers and with new corporate customers, but also to attract local

**Laser, light, leadership & NEC**



Everyone remembers Armstrong's first steps on the moon. But not why he placed a mirror there. That mirror reflected a straight laser beam from earth back to earth for an exact measurement of the distance between earth and moon.

But the year before, NEC had already achieved 'the impossible': bending laser beams at will. NEC had become the first in the world to announce a feasible light communication medium, SELFOC,\* in 1968.

Test-proven SELFOC is a pliable, tiny glass fiber which conducts laser beams containing an extremely large volume of information in an unbelievably small space. Voice, video, or data.

Doing the unbelievable is a tradition with NEC. The two pillars of our cellular corporation are the engineering and the electronics components which we have developed in our Washington, D.C. office.

maintained NEC's leadership in awesome technological feats that affect many very human things.

Spread the word of your world.

**NEC**  
Nippon Electric Co. Ltd.  
10000 Wilshire Blvd., Suite 1000  
Beverly Hills, CA 90210



COMPANY NEWS

Wood Hall cautious but expects £6.3m. or more

SUBJECT to the outcome, if determined, of the major pipeline claim in Australia, Mr. Michael Richards, chairman of Wood Hall Trust says that the group results for the current year should be comparable in or better than the £8.1m. pre-tax profit shown for the continuing operations during 1976-77.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interim or final and the sub-divisions shown below are based mainly on last year's timetable.

Table with columns: TO-DAY, FUTURE DATES, and company names like Baring, Baring, Baring, etc.

previous year, while turnover was down from £11.53m. to £9.7m. The dividend total is 3,631,903p (3.251704p) and there is proposed a 1-for-1 scrip issue.

Simpson's qualified optimism

THE PAST achievements of S. Simpson and present trading give good grounds for a favourable outlook for the current half year, says Dr. S. L. Simpson, chairman, and he retains qualified optimism for the future.



Sir Ian McLennan, chairman of Australia and New Zealand Banking Group, who is due to announce to-day the preliminary results.

'Fags' paying further Preference arrears

ALTHOUGH IT seems certain that the Chilean operations will incur an appreciably greater loss in 1977 than they did in the previous year, the directors of Antofagasta (Chile) and Bolivia Railway have approved the payment of January 3 of a further half-year's dividend on the 5 per cent. Preference stock.

Government Commission, and this claim is currently under discussion between the two Governments.

LWT plans £2m. new spending

The London Weekend Television group has earmarked more than £2m. for new investment over the next two years.

Pertwee rise at pre-tax level

For the year ended May 31, 1977, agricultural merchant, etc. Pertwee (Holdings) reports an increase in profit from £236,299 to £342,854, on turnover ahead £3.7m. at £15.8m.

Dickinson restructuring

With its continuing development, John Dickinson and Company has decided there will be considerable benefits in restructuring the company as two separate businesses within the group.

Maiden voyage

Roto Line's Kaprifol, 8,000 tons, first in a new class of roll-on-roll-off ship for the Jahnsson group, completes her maiden voyage today from Felixstowe in Wallham.

BBC attacked

The BBC is paranoid about independent local radio and indulges in social comments, smearing jobs, misrepresentation and at times downright lies in its efforts to discredit them.

Coal plea

Britain needed a major contribution from coal to meet energy demands in the rest of the century, Mr. Alex Eadie, Parliamentary Under-Secretary at the Energy Department, told a National Union of Mineworkers' school in Newcastle-on-Tyne.

Good ideas save

The Department of Health and Social Security is saving more than £900,000 a year by adopting simpler procedures suggested by staff, says a report published today.

Mud dig

Thames mudlark and the Museum of London are co-operating to help archaeologists dig up the capital's history. Finds: pilgrim's badges, seals, chesses, hand mirrors, brooches, spurs, knives and spoons.

Save and Prosper considers £6m. bid for U.S. interests

BY KEITH LEWIS

SAVE AND PROSPER, the U.K.'s largest unit trust group, is considering a take-over bid for its U.S. insurance interests from the Life Insurance Company of North America.

Revenue Service decided to reverse a ruling which had stood for 12 years. The effect of this U.S. insurance interests from the Life Insurance Company of North America.

Trafalgar may bid £20m. for Fairey

BY KEITH LEWIS

AN OFFER worth between £10m. and £20m. is likely to be this week by Trafalgar House for the property, shipping and fishing group, for the aviation interests of Fairey, went into receivership last month.

Cutlery men seek State survey on industry

COMPANIES within the U.K. cutlery industry will be asked whether they will co-operate in a Government survey on the industry and size of the industry.

September malt whisky sales up 21%

SALES OF malt whisky jumped 21 per cent. in September of this year compared with the same month in 1976, and the nine-month total showed a 3 per cent. improvement.

500,000 Fiestas

Production of the Ford Fiesta will pass the 500,000 mark on Thursday.

Newspaper up 1p

The Liverpool Echo goes up today by 1p to 9p. Rising costs are blamed.

Tesco tea cheaper

Tesco is cutting the price of most brands of loose tea by up to 3p a pound from 10p to 7p.

BBC attacked

The BBC is paranoid about independent local radio and indulges in social comments, smearing jobs, misrepresentation and at times downright lies in its efforts to discredit them.

Coal plea

Britain needed a major contribution from coal to meet energy demands in the rest of the century, Mr. Alex Eadie, Parliamentary Under-Secretary at the Energy Department, told a National Union of Mineworkers' school in Newcastle-on-Tyne.

Good ideas save

The Department of Health and Social Security is saving more than £900,000 a year by adopting simpler procedures suggested by staff, says a report published today.

Mud dig

Thames mudlark and the Museum of London are co-operating to help archaeologists dig up the capital's history. Finds: pilgrim's badges, seals, chesses, hand mirrors, brooches, spurs, knives and spoons.

Smart has bigger workload

IN THE first quarter of the current year the progress shown by J. Smart and Co. (Contractors) has been very encouraging, reports the chairman Mr. J. Smart. And he is confident that the group will continue to prosper.

FT Share Information

The following securities have been added to the Share Information Service appearing in the Financial Times—Asarco Inc. (section: Americas); Transco Companies Inc. (section: Overseas—New York); Change Wares Conv. Cum. Pref (section: Industrials—Miscel.).

At year end working capital was up £1.13m. (£178,000) and capital commitments totalled £173,000 (£151,000) of which £130,000 (£47,000) had been authorised but not contracted.

FT Share Information

The following securities have been added to the Share Information Service appearing in the Financial Times—Asarco Inc. (section: Americas); Transco Companies Inc. (section: Overseas—New York); Change Wares Conv. Cum. Pref (section: Industrials—Miscel.).

Large advertisement for Petroleos Mexicanos (PEMEX) featuring an image of an oil rig and text in Spanish and English. Includes details about Bahraini Dinars 15,000,000 and various international bank partners.

Advertisement for F.H. Lloyd Interim Report, showing financial results for the six months ended 30th October 1977, including sales, profit, and dividends.

Advertisement for Gold Fields, Issue of 26,245,168 Ordinary shares, 25p each at 155p per share. Includes details about the company and its shares.

Advertisement for LONDON EC4, new air conditioned office development, approx 6,200/37,700 sq. ft. Immediate Occupation TO LET. Contact: PEPPER ANGLISS & YARWOOD.

Small text at the bottom of the page, including a reference to 'سكاي نيوز' and other illegible characters.







OVERSEAS MARKETS

EUROBONDS

U.S. dollar sector regains its poise

LAST WEEK confirmed that the U.S. dollar sector has regained its poise: the stability of interest rates, a stable dollar despite the turbulence on the Yen front and the drying up of retail selling in the secondary market made for a firm undertone though trading was quiet.

Later this week Deutsche Bank is due to float a DM300m issue for a government risk. The U.S. dollar secondary market was up on the week by maybe half a point and fairly featureless except for the sharp gains of the Deutsche Bank with warrants 1987 issue which moved up from 100.10 to 104.05 on Thursday on currency considerations and following a newspaper tip.

BY FRANCIS GHILES

Margins tighten at Sumitomo Shoji

SUMITOMO SHOJI Kaisha announced that its net profit for the first half-year fell to ¥7,374,400, down 0.8 per cent from ¥7,500,000 in the like year-earlier period.

BONDSRADE INDEX AND YIELD

Table with columns for Nov. 17, Nov. 11, High, Low, and values for Medium term, Long term, and Convertible bonds.

EUROBOND TURNOVER

Table comparing U.S. dollar bonds and Other bonds with columns for last week, previous week, Euroclear, and Cedel.

Indices

NEW YORK - DOW JONES

Table showing Dow Jones index values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

STANDARD AND POORS

Table showing Standard and Poors index values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

MONTREAL

Table showing Montreal index values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

TORONTO

Table showing Toronto index values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

JOHANNESBURG

Table showing Johannesburg index values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

BIAS AND FALLS

Table listing various international indices and their values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

GERMANY

Table listing German stock indices and values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

JOHANNESBURG MINES

Table listing Johannesburg Mines stock values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

AUSTRALIA

Table listing Australian stock indices and values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

PARIS

Table listing Paris stock indices and values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

OVERSEAS SHARE INFORMATION

NEW YORK

Large table listing various New York stock indices and values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

STOCK

Table listing various international stock indices and values for Nov 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

STOCK

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Investment premium based on \$2.60 per £=92.1% (881%)

AMSTERDAM

Table listing Amsterdam stock indices and values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

BRUSSELS/LUXEMBOURG

Table listing Brussels/Luxembourg stock indices and values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

TOKYO

Table listing Tokyo stock indices and values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.

OSLO

Table listing Oslo stock indices and values for Nov 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, and High/Low.



AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of Authorised Unit Trusts with columns for Name, Manager, and various performance metrics.

Table of Offshore and Overseas Funds with columns for Name, Manager, and various performance metrics.

Table of Offshore and Overseas Funds (continued) with columns for Name, Manager, and various performance metrics.

Table of Offshore and Overseas Funds (continued) with columns for Name, Manager, and various performance metrics.

CLIVE INVESTMENTS LIMITED... 101-253 1101... 131.11... 125.04

Table with columns for Insurance Base Rates, including Property Growth and Cannon Assurance.

FINANCIAL TIMES STOCK INDICES

Table of Financial Times Stock Indices showing various market indices and their values.

FINANCIAL TIMES STOCK INDICES

Table of Financial Times Stock Indices (continued) showing various market indices and their values.

Table of Offshore and Overseas Funds (continued) with columns for Name, Manager, and various performance metrics.

INSURANCE, PROPERTY, BONDS

Table of Insurance, Property, and Bonds with columns for Name, Manager, and various performance metrics.

NOTES... Please do not include S premiums, except where indicated...











HOTELS—Continued

Table listing hotel companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

INDUSTRIALS (Miscel.)

Table listing various industrial companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

FT SHARE INFORMATION SERVICE

Henry Boot Construction Limited advertisement with logo and contact information.

AMERICANS—Continued

BRITISH FUNDS

Table listing British funds with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

BUILDING INDUSTRY—Cont.

Table listing building industry companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

BUILDING INDUSTRY—Cont.

Table listing building industry companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

DRAPERY AND STORES—Cont.

Table listing drapery and stores companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

ENGINEERING—Continued

Table listing engineering companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

CANADIANS

Table listing Canadian companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

BANKS AND HIRE PURCHASE

Table listing banks and hire purchase companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

INTERNATIONAL BANK

Table listing international banks with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

CORPORATION LOANS

Table listing corporation loans with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

COMMONWEALTH & AFRICAN LOANS

Table listing commonwealth and African loans with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

LOANS (Miscel.)

Table listing miscellaneous loans with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

FOREIGN BONDS & RAILS

Table listing foreign bonds and rails with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

BEERS, WINES AND SPIRITS

Table listing beer, wine, and spirit companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

CINEMAS, THEATRES AND TV

Table listing cinema, theatre, and TV companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

DRAPERY AND STORES

Table listing drapery and stores companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

BUILDING INDUSTRY, TIMBER AND ROADS

Table listing building industry, timber, and roads companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

AMERICANS

Table listing American companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

ELECTRICAL AND RADIO

Table listing electrical and radio companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

CHEMICALS, PLASTICS

Table listing chemical and plastic companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

ENGINEERING MACHINE TOOLS

Table listing engineering machine tools companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

FOOD, GROCERIES, ETC.

Table listing food, grocery, and other companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

HOTELS AND CATERERS

Table listing hotels and caterers companies with columns for Stock, Price, Last, Div, Yield, and other financial metrics.

AMERICANS

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